Foreign Broadcast Information Service 50 ANNIVERSARY 1941 - 1991

Daily Report

East Asia

FBIS-EAS-91-150
Monday
5 August 1991

Daily Report
East Asia

FBIS-EAS-91-150 *5 August 1991*

CONTENTS

NOTICE TO READERS: An • indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

Kaifu Delivers Policy Speech to Diet *[Tokyo TV]* 1
New Council To Handle Return of Okinawa Bases *[OKINAWA TIMES 2 Aug]* 5
Editorial on Council *[RYUKYU SHIMPO 3 Aug]* 5
Editorial on Okinawa Governor's U.S. Trip *[OKINAWA TIMES 4 Aug]* 6
Investors 'Not Enthusiastic' About U.S. Auction *[KYODO]* 7
Group Demands Cheney Explain Hiroshima Statement *[KYODO]* 8
USSR Reportedly Conducts Arctic Nuclear Tests *[KYODO]* 9
Russian Republic Premier To Visit 17-24 Aug *[KYODO]* 9
Joint USSR Fisheries Company Established *[KYODO]* 10
Tokyo To Invite Cambodia's Sihanouk To Visit *[KYODO]* 10
Romanian Foreign Minister Arrives for Visit *[KYODO]* 10
Tokyo Pledges $100 Million *[KYODO]* 10
Nastase on Hungarian Situation *[KYODO]* 11
First Batch of Aid Workers Returns From Peru *[KYODO]* 11
Further Reportage on Securities Industry Scandal 12
Hashimoto on Involvement *[KYODO]* 12
Hashimoto Considers Resignation *[KYODO]* 12
Kaifu on Hashimoto's Role *[KYODO]* 13
LDP's Obuchi May Support Committee *[KYODO]* 13
Securities Dealers' Chief Remarks *[KYODO]* 13
Officials Seek Support for Arms Trade Proposal *[KYODO]* 14
Local Assemblies Surveyed on Rice Market Issue *[KYODO]* 14
LDP's Watanabe on Election, Securities Scandal *[Tokyo TV]* 14
LDP's Komoto Interviewed on Party Situation *[Tokyo TV]* 15

Mongolia

Labor Discipline, Restoration of Order Urged *[MONTSAME]* 16
People's Great Hural Divided Over System *[MONTSAME]* 17
Public Organizations Support Anti-Communist Fight *[MONTSAME]* 17
Exporters Seek Partners in International Trade *[MONTSAME]* 17

North Korea

Text of Kim Il-song Talk on Reunification *[KCNA]* 17
NODONG SINMUN Publishes Text of Talk *[KCNA]* 23
South Chondaehyop Delegate Arrives in Pyongyang *[KCNA]* 24
N-S Working-Level Contact Slated for 10 Aug *[Pyongyang Radio]* 24
Pyongyang Media Silent on Judoist's Defection *[KYODO]* 24
Daily on South's Attempt To Suppress Chonminnyon *[KCNA]* 24
Daily on South 'Schemings' Against Pan-National *[KCNA]* 25
SKNDF on South's 'Suppression' of Chondaehyop *[KCNA]* 25
Seoul Daily Debunks South Elections *[KCNA]* 25
ROK Paper Upset Over U.S. Moving Expenses *[KCNA]* 26
Daily on South's National Police Reorganization *[KCNA]* 26
Seoul Daily Says Rice Duty Equals Output Drop *[KCNA]* 26
Pyongyang Prayer Service for South Detainees *[KCNA]* 26
South People Praise Kim Il-song, Kim Chong-il *[KCNA]* 27

Dailies View U.S. Defense Secretary's Statement *[KCNA]* 27
U.S. Supports Direct North-South Dialogue *[Pyongyang Radio]* 27
U.S. Described as Biggest Weapons Dealer *[Pyongyang Radio]* 27
U.S. Informed of Denuclearization Plan in China *[KCNA]* 28
U.S., South Military Exercises Reported *[KCNA]* 28
USSR Supports Korean Denuclearization Proposal *[KCNA]* 29
Vietnam Supports Denuclearization Proposal *[KCNA]* 29
Chinese CPC Delegation Arrives in Pyongyang *[KCNA]* 29
Japan-Korea Friendship Boat Group Leaves *[KCNA]* 29
Kim Il-song Sends Greetings to Jamaican Leader *[KCNA]* 29
KCNA Review of 3 Aug Pyongyang Press *[KCNA]* 29

South Korea

Seoul Said To Apply for UN Membership 5 Aug *[KYODO]* 30
Joint UN Budget Contributions Set *[YONHAP]* 31
Ministry on Submission of U.N. Entry Application *[YONHAP]* 31
N-S Preliminary Contact Agrees To Cooperate *[Seoul Radio]* 31
Seoul Considers Joint Denuclearization Offer *[YONHAP]* 32
South-North Discussion of Nuclear Issue Welcomed *[CHOSON ILBO 3 Aug]* 32
Prosecutors To Arrest Coed on Return From North *[THE KOREA HERALD 5 Aug]* 33
Firms Said To Send Passport-Holders North *[HANGUK ILBO 3 Aug]* 33
Ship Unloads Rice in North, Leaves for China *[YONHAP]* 34
North Judoist Defects to South Through Europe *[YONHAP]* 34
More on North Defector *[YONHAP]* 34
Students Propose Exchanges With North University *[THE KOREA TIMES 4 Aug]* 35
Professor's Reply Letter to North To Be Sent *[YONHAP]* 35
Minister Views Trade Friction With U.S. *[YONHAP]* 35
U.S. Agency Stops Assistance To Firms in Korea *[YONHAP]* 35
Soviet Companies Sign Contracts Worth Millions *[YONHAP]* 36
Deficit With China in Jan-May Period Reported *[YONHAP]* 36
China To Discuss Signing of Economic Agreements *[ANTARA]* 36
Japan Proposes Talks With DPRK in Beijing *[YONHAP]* 36
DLP Attempts To Defuse Intraparty Feud *[THE KOREA TIMES 4 Aug]* 37

SOUTHEAST ASIA

Cambodia

Report on Demonstrations in Battambang Rejected *[SPK]* 38
Opposition Blames Truce Violations on Phnom Penh *[Phnom Penh Radio]* 38
SPK Notes Military Activities by Resistance 39
Construction of Dam in Kompong Speu To Resume *[SPK]* 39
VOK: Cessation of Divisive Language Urged 39
Call on Phnom Penh Officials To Break Away *[VONADK]* 40

Philippines

Anti-Bases Movement To Launch Campaign *[Manila Radio]* 40
Efforts To Influence Senate on Bases Treaty *[Quezon City Radyo]* 40
Senator: Treaty Nonratification May Delay Growth *[Manila Radio]* 41
Aquino To 'Review' Marcos Corpse Ban *[AFP]* 41
Groups Formed To Lift Marcos Corpse Ban *[Manila Radio]* 41
Aquino Admits Volcano Calamity Fund Insufficient *[Manila Radio]* 42
Investments Fall in First Six Months *[THE CHRONICLE 5 Aug]* 42
Aquino Orders Probe of Malaysia Torture Charge *[Quezon City Radio]* 43
High-Ranking Rebel Soldiers Attempt Escape *[Manila Radio]* 43
Conspiracy Probed in Escape *[KYODO]* 43
Tight Security Follows Jailbreak *[PNA]* 44
Police Foil Rebel Attempt To Blow Up Bridge *[MANILA BULLETIN 5 Aug]* 44
International Committee Reveals Atrocities *[PEOPLE'S DAILY FORUM 27 Jul]* 44

Police Complain About Silence on NPA Acts *[PEOPLE'S DAILY FORUM 1 Aug]* 45
Authorities Arrest Top NPA Leaders in Makati *[Quezon City Radyo]* 45
NPA To Require Passes for Candidates *[Manila Radio]* 46

Thailand

Premier Discusses Foreign Trips, Term, Bush *[NAEO NA 3 Aug]* 46
SRV Minister 'Too Ill To Return Home' *[AFP]* 47
Class 5 Members Strengthen Hold on Armed Forces *[BANGKOK POST 5 Aug]* 47
Editorial Analyzes Reshuffle *[THE NATION 5 Aug]* 48
Chatchai Returns To Clear Name With Committee *[THE NATION 4 Aug]* 49
Assets Chairman Denies Deal *[THE NATION 4 Aug]* 50
Impact of Chatchai Return *[THE NATION 4 Aug]* 50
King Appoints New Deputy Interior Minister *[Bangkok TV]* 51

Vietnam

VNA: U.S. President's Statement on MIA's 51
Radio Reports Cheney Remarks on MIA Issue *[Hanoi International]* 52
Visit by MIA Specialists *[Hanoi International]* 52
No POW's at Tien Lanh *[Hanoi TV]* 52
Radio Comments on Relations With U.S. *[Hanoi International]* 52
4,000 Vietnamese To Settle in U.S. in Aug *[Hanoi International]* 53
Improved U.S.-USSR Ties, Results of Summit *[Hanoi Radio]* 53
USSR Ranks as 4th Biggest Investor *[VNA]* 53
Deputy Foreign Minister To Visit Beijing 8 Aug *[VNA]* 54
First Foreign-Owned Newspaper To Appear in Sep *[AFP]* 54
Asian Development Bank Approves Consulting Grant *[VNA]* 54
Japanese Medical Aid Received *[VNA]* 55
Do Muoi Sends Message on Romanian Flooding *[VNA]* 55
Vo Chi Cong Receives Departing Yugoslav Envoy *[Hanoi Radio]* 55
VNA, SPK Sign Cooperation Agreement *[VNA]* 55
Report on 1 Aug National Assembly Session *[Hanoi Radio]* 55
National Assembly Discusses Forestry Law *[Hanoi Radio]* 56
National Assembly Issues Communique No. 3 *[Hanoi Radio]* 56
National Assembly Proceedings for 5 Aug *[Hanoi Radio]* 56
Nguyen Khanh Visits Exhibition of Goods *[Hanoi TV]* 57
Review of TAP CHI CONG SAN Jul Issue *[Hanoi Radio]* 57

Japan

Kaifu Delivers Policy Speech to Diet

OW0508074491 Tokyo NHK General Television Network in Japanese 0503 GMT 5 Aug 91

[Prime Minister Toshiki Kaifu's policy speech to the Diet at the opening of the 121st extraordinary Diet session at the main chamber of the lower house—live]

[Text] At the opening of the 121st extraordinary session of the national Diet, I would like to express my views on pending issues and seek your understanding and cooperation.

First of all, I express my deep condolences to the victims killed by the recent volcanic eruptions of Mt. Unzen and their bereaved families and my heartfelt sympathy to those who were injured and those others who are still continuing to live a lifestyle of an evacuee.

His majesty the emperor and her majesty the empress have personally visited the disaster-stricken areas to express their sympathy. Immediately after the occcurrence of the calamity the government established an Emergency Disaster Relief Measures Headquarters and sent a team for surveys. I also visited the scenes of the disaster to hear requests from the governor of Nagasaki Prefecture and the mayors of Shimabara City and Fudae Town. On the basis of their requests, the headquarters decided on relief measures in 21 sectors and is energetically carrying them into practice now.

Since the latest calamity was caused by volcanic eruptions, unprecedentedly large-scale in recent years, and because it has extended for so long, it is of particular importance that stability is ensured for the evacuees' livelihood and educational environment.

For this reason, the government and the prefectural and municipal authorities are united in working out a variety of measures, including the construction of makeshift, temporary dwellings. The government will continue to be vigorous in carrying out appropriate emergency measures, while paying thorough consideration to the local finances. At the same time, the government will continue to take into serious consideration regional development programs, including disaster prevention and revitalization of the region after the disaster ceases and be active in taking the necessary steps.

A situation exists even now in the volcanic activities at Mt. Unzen in which there is no predicting what will happen next. The government will continue to work out appropriate evacuation measures, putting the lives of the local inhabitants above everything else, and to carry out strict supervision and watch.

Recently a series of scandals involving the securities industry, such as those in which securities firms compensated for selected clients' losses or engaged in illicit transactions with some people, have been exposed. Such acts violate the normal criteria expected of these licensed companies, and have damaged much trust in the securities market of general public investors inside and outside the country.

This is regrettable also as viewed from the ideal of fair society. The government will clarify their intra-company responsibilities and will ask them to exercise strict business discipline. We regard the administrative authorities' reponsibilities for this situation as being heavy, and, hence, we have taken strict measures in this regard.

More recently, 17 firms including four major securities firms have made public the names of the companies which had received the compensation favors. In order to prevent similar incidents from happening again in the future and to regain the trust of general investors, the government will do its best to introduce to the current Diet session a draft bill aimed at revising the Securities Transaction Law, thus banning torihiki ichinin kanjo torihiki [transactions in which the investers cede authoritiy to make investments decisions to brokerages] and jigoteki sonshitsu hoten [act of compensating for losses ex post facto].

The government will make efforts to correct the business attitude of the securities firms, and to secure fairness in the securities market—for instance, by strengthening its surveillance over securities firms.

Furthermore, in connection with the recent scandal in the securities circles, the Ad Hoc Council on Administrative Reforms has been requested to review ways of improving surveillance over the securities market.

Likewise, it is extremely regrettable that there have been scandals involving deposits with some banks. I strongly urge the people concerned to reflect upon themselves.

Since assuming my post, I have believed that the realization of political reforms is the mission of this age given to me, and have tackled the task with immutable determination. The basics of the politics are to establish an easy-to-understand and fair political system which the public can trust, and, thus, to carry out the commitment given by it.

But to look back on the past humbly, we have no choice but to admit the present situation in which the public's distrust is growing as a result of the so-called problem of politics and money. In the political reform, the establishment of political ethics is essential. Each politician must have a high sense of ethics and must maintain the attitutde of disciplining himself.

On the other hand, it is true that the existing political system also needs to be improved.

What supports parliamentary democracy is election, and parliamentary politics means party politics. Under the present medium-size electoral district system for the House of Representatives, for any party to gain a majority in the house and to become a responsible ruling party, it is unavoidable that the party puts out a plural

number of candidates in one electoral district. In other words, even when the party has one candidate elected from each of all the 130 electoral districts, it will have no more than one-fourth of the total number of the house seats which is 512.

In this system, which requires more than one candidate in one district, candidates who uphold the same beliefs and principles are forced to compete in areas other than policy at the personal level. In such elections which have nothing to do with policy debates, policies, which ought to be the center of party politics, are sometimes nowhere to be found at critical points. Great importance has come to be placed on personal ties with the voters, and enormous energy is devoted to maintaining and expanding such ties. Underlying the issues of political ethics and political funds is the present system in which a candidate has to be personally responsible for most of his political activities, including campaign activities.

Furthermore, for many years, the distribution of power among the political parties has become static. As a result of the lack of a change of regime, tension has gradually been eliminated in politics. It is necessary to rectify this so-called systemic fatigue of the medium-sized electoral district system, and switch to a system in which party-oriented elections focused on policies can be held. This will heighten the people's consciousness in political participation and will also make politics something closer to the people. From the above basic beliefs, the government is proposing a combined system of single-seat constituencies and proportional representation as a major pillar of political reforms, in order to establish political ethics, to ensure the fairness of political fund raising, and to institute politics capable of responding pertinently and promptly to domestic and international issues from a national point of view. By combining a system of small electoral districts with proportional representation, we are able to give consideration to reflecting minority views in national politics and to entertain popular views more meticulously. As to the division of constituencies, we have adopted the proposal formulated by a strictly neutral third-party institution, the Election System Council, without any changes. This proposal strives to reduce the ratio of the weight of one vote across contituencies to less than 1:2, although there are exceptions in some inevitable cases. The present proposal also reduces the number of seats in the House of Representatives drastically, from 512 to 471. This demonstrates our determination to institute political reforms to the people.

As to the question of political funds, which started off the issue of political reforms, it is a fact that at present, politics requires a certain amount of money. However, as you all know, there are strong criticisms against the fact that an enormous amount of funds is being spent in areas other than genuine political activities, and criticisms against the manner in which such funds are raised and spent. The present reforms call for creating a situation in which political fund raising is primarily undertaken by the political parties, for more openness in the flow of political funds, and for more effective regulations. The reforms also provide for strict penalties for election anomalies, including strengthening the system of joint responsibility [renzasei—a system in which the candidate is held jointly responsible for election law violations by his campaign manager or finance officer]. In addition to the above institutional reforms, the reforms also call for introducing the system of public funding of political parties, which exists in many foreign countries. This system is due to the public character of the political activities of the political parties, which contribute to the formation of national will. It is also deemed necessary to ensure the fairness of political activities and to strengthen their financial foundation.

Furthermore, with regard to the reform of the election system for the members of the House of Councillors, we are still conducting in- depth discussions.

The present election system for the members of the House of Representatives has a history of more than 60 years, excluding the postwar period of political confusion. The proposed reforms attempt to decisively eliminate the shortcomings of this system accumulated in its long history.

The current reform is an issue directly linked with the political life of each of our people. Strictly conflicting views on the issue exist among our people, and controversial views also exist among different political parties. However, when the actual political situation is taken into account, we must carry out at any costs this strict and painful reform so as to establish new political practices and live up to our people's expectations and trust. [applause]

In an effort to obtain approval of the three draft bills connected with political reforms, including the draft bill for revising the Public Offices Election Law, I would like to request your understanding and cooperation. [applause]

Our country is still in an extremely serious financial situation, and the trend of various economic factors that used to bring about a great increase in tax revenues in the past has now changed. Taking the above and other factors into consideration, when we compile draft budgets for the future, we will continue our efforts so as to carry out thorough reviews of our systems as well as our annual expenditures.

Moreover, we will pay the maximum attention to the first recommendations submitted recently by the Ad Hoc Council on Administrative Reforms and other recommendations. We intend to promote financial and administrative reforms both at the state and local levels.

Last month, I attended the summit held in London, and exchanged views in a frank and lively way with top leaders of democratic and industrialized nations that

share major responsibilities for world peace and prosperity on such topics as the strengthening of the international system in greeting the 21st century and also the formation of global partnership.

As the only Asian nation attending the summit, I made a positive move in bringing up viewpoints of this region, and concentrated my efforts on turning the summit into a global one.

Prior to the summit, I held talks with President Bush at his compound in Kenebunkport, and we have once again confirmed with each other that the cooperative relations between Japan and the United states are extremely important not only for the two countries but also for the whole world. We mutually confimred anew that it is essential for the peace and prosperity of the world that the two nations jointly deal with world issues.

In view of the fact that the international community united under the United Nations has succeeded in overcoming the Gulf crisis, it was made clear at the summit that in forming the new international order, it would be necessary to take the position of attaching importance to multinational cooperation with the United Nations playing the central role.

This approach not only points out a sound orientation for the world after it has overcome the structure of the cold war but also conforms to the position of our nation that used to advocate the U.N.-oriented principle in the past.

In the future, all the nations must take positive part in strengthening the functions and roles of the Untied Nations in maintaing peace in the world, and give strong support for such efforts. Japan, on its part, has so far made major contributions to the peacekeeping operations of the United Nations by providing funds, and have also provided personnel cooperation through such measures as the dispatch of personnel to join in election supervising teams. However, it is necessary to prepare the domestic structure so that the cooperation in personnel can be provided more appropriately and promptly.

And I feel that through the experiences of the last Gulf crisis, our people have now come to share a common understanding, which is that for the sake of world peace, Japan must play a positive role not only in the fields of materials and funds, but also in the field of personnel.

Needless to say, we intend to uphold our pacifist principles derived from soul searching our past history. If only to realize such principles, we have to further promote humanitarian international cooperation. Our country will also have to actively participate and play a suitable role in the joint international efforts to create an order to maintain international peace. From the above, to further reinforce and strengthen international emergency relief operations, we are considering legislative amendments to authorize Self-Defense Forces [SDF] participation. With regard to cooperation in the UN peacekeeping operations, we will strive diligently to formulate new bills on international peace cooperation to be submitted to the present Diet session, to enable our country to play an active role, taking into consideration the process leading to the tripartite agreement among the Liberal Democratic Party, Komeito, and the Democratic Socialist Party, and deliberations to be conducted henceforth. [applause]

Moreover, I would like to reiterate here my gratitude and respect to the experts and technicians who are dealing with the environmental pollution caused by the oil spill in the Persian Gulf, the international emergency relief teams which are helping Kurdish and other refugees and cyclone victims in Bangladesh, the SDF members who are engaged in minesweeping operations in the Persian Gulf, and all those who have served in our country's humanitarian international contributions. [applause] I would also like to extend my condolences as a token of respect to the memory of the gentlemen who recently fell victim to terrorism while devoting themselves to international cooperation in Peru. We would do our best to prevent a recurrence of such a tragedy.

One of the lessons we learned from the recent Gulf crisis is the danger of possessing military capabilities in excess of what is necessary for the defense of one's country. To prevent the recurrence of such incidents in the future, arms management and the promotion of disarmament will be very important. It is necessary to enhance the transparency and openness of the transfer of conventional weapons, in addition to preventing the proliferation of nuclear, chemical, and biological weapons of mass destruction and missiles.

I have always appealed for the ultimate destruction of nuclear weapons. I am greatly pleased with the recent signing of the START treaty between the United States and the Soviet Union. I also participated in the UN Disarmament Conference in Kyoto last May, which was initiated by Japan. I spelled out concretely in the conference Japan's views on arms management and disarmament, including proposals on establishing a UN registry system for the transfer of conventional weapons. In view of the support for the UN registry system obtained at the recent summit meeting, we will submit the proposal on this system as a resolution in the UN General Assembly this fall and work for the realization of the system while cooperating with the other countries concerned on this matter. Japan is determined to carry out its roles to actively promote international efforts for arms control and arms reduction based on the recent summit declaration in the future.

In the last regular Diet session, I spelled out our policy that in the implementation of our economic cooperation efforts, sufficient attention should be paid to the military spending, development, and production of weapons of mass destruction, and arms export and import in the recipient state. This policy has also been favorably appraised by the summit nations. Other aid donor nations have been encouraged to take similar measures.

Japan intends to implement appropriate economic cooperation keeping in mind the above consideration.

Furthermore, our country, which has enforced strict regulation on arms export based on the three principles of arms export and other concepts, considers the recent incident of illegal arms export a serious matter. If legal transgression is proven, we will impose strict penalties based on current laws. In the future, we will also strengthen guidance on the industrial sector and apply even stricter export control.

Our country, which has been able to enjoy economic prosperity and develop to the present level thanks to the benifits of multilateral free trade, must take a lead in efforts to effect the success of the Uruguay Round negotiations, which was a point of common agreement among the leaders of the summit nations.

I believe that the fact that a strong determination to conclude successful negotiations within this year was expressed at the recent summit is an extremely important factor that will act as an impetus in future negotiations. These negotiations take up a wide range of areas, including market access, agriculture, the service industry, and intellectual property rights. They are very important for formulating a framework of world economic prosperity in the 21st century. While working to win the people's understanding, we will make all necessary preparations to take part in the negotiations which will resume in earnest this fall. As regards rice, in view of the importance of rice and rice harvesting, and in accordance with the spirit of the Diet resolutions on it, we will continue the basic principle of self-sufficiency with domestic production.

In the postsummit meeting between the leaders of the summit nations and President Gorbachev, the leaders of the summit nations indicated their intention to assist the USSR's own efforts to engage in reforms in accordance with the correct line of perestroyka. In view of the summit nations' common understanding that technical assistance would be more effective at the present stage, we passed on to President Gorbachev the message that the summit nations will coordinate their efforts in extending appropriate assistance through special cooperative relations with the IMF and World Bank and by expanding technical aid.

It is necessary for the new thinking of the Soviet Union to apply to all areas in the world. In this regard, the summit nations also confirmed that the normalization of Japan- Soviet relations, including the solution of the northern territories issues, is important.

Furthermore, in order to work for peace and prosperity in the Asia and Pacific region, it is necessary to expand dialogue and cooperation through existing regional frameworks, such as the enlarged ASEAN foreign ministerial conference. On the other hand, I also believe that the promotion of economic and political reforms in China, the solution of the problems of the Korean peninsula and Cambodia, which are elements of instability, and the efforts at democratizing and introducing a market economy in Mongolia are important. Such an understanding has also been included in the declaration issued by the summit's chairman. Our country will continue to play an active roie in working for peace and prosperity in the region as a whole. My scheduled visits to China and Mongolia in the near future are based on this basic position. Right after the latest summit, I paid a visit to the Netherlands, which chairs the EC, to hold the first Japanese-EC summit meeting with Netherlands Prime Minister Lubbers and EC Commission President Delors. The EC is playing an important role not only in the economic sector but also in international politics by carrying out political integrations. It is essential that Japan and the EC promote strengthened relations as global partners on a broad basis in all the areas of politics, economics, and culture, as in the case of Japanese-U.S. relations.

The Japanese-EC Joint Statement released this time symbolizes the new era in such Japanese-EC relations. The fact that I can make this report is the result of nothing other than the overall national strength of Japan, which has achieved stable economic development, and the efforts made by our predecessors.

The movement for democratic reform in both political and economic areas, which started in the Soviet Union and Eastern Europe two years ago, can be observed not only in those regions but widely in the Asian, Latin American, and African regions as well. The forceful breath of democracy and its resuscitation are now showing deep, high surges on a global scale. The historic advances of democracy which we have witnessed in the past few years presage the dawning of a new era for mankind. At this juncture when one's sense of value about democracy has begun to be accepted by the people all over the world as a universal principle of mankind, I feel anew that while looking back on its past, Japan should persevere in its efforts for the further progress of democracy. [applause]

The political reform to be proposed at this session is designed to make it possible for the people to choose their representatives through elections on the basis of their policies and the comparative merits and demerits of the political parties which sponsor them and, consequently, to develop a system to precisely reflect public opinion in politics. [jeers mixed with applause]

I believe that only when democracy truly functions on the basis of policies and parties can we develop a society in which we can say that sovereignty truly lies in the people, in which the people can actively [shutaitekini] elect and decide the destiny of our own country by ourselves. I think it is also important for Japan to make sure that it does not adopt a wrong course at a time when the role and responsibility it must fulfill in the international community has further increased in importance.

Pain goes hand in hand with reform. However, I am convinced that only those who can overcome the pain, and reform themselves, have a future. In order to establish a sound foundation for democracy in Japan, which as a key member of the industrialized and democratic nations has its sights set on the 21st century, political reform must be realized by all means.

I once again solicit your understanding and cooperation. [applause mixed with jeers]

New Council To Handle Return of Okinawa Bases

OW0208173491 Naha OKINAWA TIMES in Japanese 2 Aug 91 Evening Edition p 1

[Text] Tokyo—Eleven government ministries and agencies concerned agreed on 2 August to set up "the Liaison Consultative Council" to deal with the return of U.S. military bases on Okinawa and resolve problems involving use of military land to be returned in the future. The council will be created to help exchange information and views among government ministries and agencies concerned in dealing efficiently with problems like advance notice on the return of military facilities and land now being used by U.S. forces in Okinawa, compensation after their return, and use of military facilities and land when they are returned. Government ministries and agencies concerned will hold the first meeting of the Liaison Consultative Council in the near future after preparing a schedule.

The formal title of the council is the "Liaison Consultative Council of Government Ministries and Agencies Concerned on Dealing With the Return of Military Facilities and Land in the Okinawa Prefecture." The council will be comprised of officials from the eleven government ministries and agencies concerned—the Defense Facilities Administration Agency; the Okinawa Development Agency; the Environment Agency; the National Land Agency; the Foreign Ministry; the Finance Ministry; the Agriculture, Forestry and Fisheries Ministry; the International Trade and Industry Ministry; the Transportation Ministry; the Construction Ministry; and the Home Affairs Ministry. Division-chief-level officials at the ministries and agencies concerned will take charge of council affairs; the Defense Facilities Administration Agency will be charged with dealing with the council's general affairs.

Government ministries and agencies concerned have recognized the need for the council and have made concrete moves toward creating the council at the urging of the Defense Facilities Administration Agency. A final agreement was reached among ministries and agencies concerned, and the council will be set up at long last.

Now that a decision has been made on establishing the council, ministries and agencies concerned will maintain closer contacts and consultations to seek an early solution to problems involving the planned return of U.S. military bases, compensation after their return, and use of returned military bases.

Defense Agency Director General Ikeda announced the establishment of the council at a news conference held after the 2 August cabinet meeting. At the news conference, the director general said that "he hoped to hold the first council meeting as soon as possible after adjusting a schedule with other ministries and agencies concerned."

Commenting on the inauguration of the council at a news conference held after the 2 August cabinet meeting, Okinawa Development Agency Director General Yoichi Tani said: "Since the base issue has had a great housing and environmental impact on the Okinawans, establishing such a council is a good move. I hope to hold the first council meeting as soon as possible to discuss how it will be run."

This is the first time that the Okinawa Development Agency has been involved in the base issue through its participation in the council.

Editorial on Council

OW0408092691 Naha RYUKYU SHIMPO in Japanese 3 Aug 91 Morning Edition p 5

[Editorial: "Our Requests To Liaison Council On Bases"]

[Text] Defense Agency Director General Ikeda, meeting the press after the 2 August Cabinet meeting, disclosed a plan to establish a liaison consultative council on U.S. military bases on Okinawa among the ministries and agencies concerned. We hope this establishment will function effectively for the resolution of the Okinawan base issue.

The formal nomenclature of the consultative council is long: "Liaison Council of Ministries and Agencies Concerned on the Issue of the Return of Facilities and Areas Located in Okinawa." Its establishment was promised by the Defense Agency director general in return for Okinawa Prefectural Governor Ota's execution, for the agency, of public notification and perusal duties associated with the compulsory use of land by the U.S. forces.

The council members are comprised of division-chief-level officials from 11 ministries and agencies including the following: the Okinawa Development Agency, Foreign Ministry, Finance Ministry, National Land Agency, Environmental Agency, Transport Ministry, Ministry of International Trade and Industry, Construction Ministry, Home Ministry and Ministry of Agriculture, Forestry and Fisheries. It is, so to speak, a business-oriented council.

The consultative council reportedly is to examine such matters as "how advance notices on return should be served," "guarantees for landlords after return of bases," and "the utilization of base sites after their return." Unlike what had been reported originally, the council reportedly will exclude from the types of matters for its deliberation "a more appropriate and planned return of facilities and areas, whose return has already been agreed

on between Japan and the United States, and whose return is strongly desired by the people of Okinawa Prefecture."

This means that the consultative council cannot be expected to be active in taking initiatives for the return of bases. This has been corroborated by remarks made by the Defense Agency director general.

Director General Ikeda told the press conference, "The consultative council is not meant for decision-making on the return of bases itself; it is meant to facilitate the exchange of information to help smooth out the process of advance notifications on the return of bases and the utilization of their sites."

Certainly the consultative council may not have the authority to make decisions on "the return of bases itself." Nevertheless, we believe it should play a role in reflecting Okinawa's wishes in the diplomatic area with respect to the desire of the people of Okinawa Prefecture for the return of bases and military-used land needed for the development of the region.

We also hope that this council will examine the proposed bill for the diversion of military-used land, which is now being studied by the prefectural government, and work actively for its passage through the Diet.

Governor Ota is now on a visit to the United States. He chose to make "a direct appeal" to the United States because there has been no progress at all in the resolution of the base issue. Had the central government functioned properly, reflecting the desire of the people of this prefecture, there would have been no need for the prefectural governor to visit the United States in the first place.

As mentioned earlier, the consultative council is to be established as a product of a political deal—in exchange for the prefectural government's vicarious execution of public notification and perusal duties. Therefore, we hope that this council will not merely end up as a make-believe organization.

Next year, Okinawa will mark the 20th anniversary of its reversion to Japan. It was advertized by the government at the time of reversion to the mainland 19 years ago that "Okinawa would be returned with homeland-level bases." So, the people of Okinawa Prefecture expected that some sort of consideration would be given not only to the removal of nuclear weapons, poison gas and other chemical and biological weapons from Okinawa, but also to the density of bases.

Okinawa will be marking the 20th anniversary of its reversion with these questions left unresolved. There is no denying that the presence of bases has become a factor that impedes the development of Okinawa. We hope that the liaison consultative council will plunge a scalpel into this reality and bring about progress in the resolution of these questions.

Editorial on Okinawa Governor's U.S. Trip

OW0408171991 Naha OKINAWA TIMES in Japanese 4 Aug 91 Morning Edition p 5

[Editorial: "Reformist Governor's First Visit and Direct Appeal to the United States"]

[Text] **U.S. Side Responds With Arguments Based on Principles**

A "group visiting the United States," including Governor Ota and other officials, has visited the United States to make appeals on base related issues. Concluding its schedule, the group will return home today. On several occasions, the U.S. side issued extremely strict responses to the "group visiting the United States." However, it seems that Governor Ota and other officials have once again realized that it is all the more necessary to repeat such appeals.

This was the third visit to the United States by a prefectural governor to make appeals om base-related issues. However, the first two visits were made by former Governor Nishime, a conservative who approved of the Japan-United States Security Treaty. As for the last visit, the U.S. side must have been somewhat strained in greeting Governor Ota, a reformer critical of the Japan-United States Security Treaty. Perhaps it would be better to say that the United States "was on its guard" instead of "rather strained." This can be seen in the fact that the U.S. side has persisted all along in its "argument based on principles" in responding to the appeal made by the governor and other officials.

During their visit, Governor Ota and other officials visited the State Department, the Department of Defense, and the U.S. Marine Corps Headquarters to "promote return of the bases." In addition, they issued an appeal through the mass media on the actual situation "on Okinawa, the island of military bases," through activities like a news conference at the National Press Club in Washington, D.C.

According to the governor, the group was, in general, "greeted with enthusiasm and overall understanding." Nevertheless, government agencies, military authorities, and the media did not seem to respond as expected. Reportedly, a NEW YORK TIMES columnist who exchanged views with the group, stated that "it is a domestic Japanese problem" that there had been no progress in handling the issue on the return of those facilities that the two sides had agreed to return.

His remarks illustrate the reason precisely. However, the U.S. seemed to say that they did not have ears for troubles on a small island. Anyone would be discouraged, not to mention the governor.

Responsible officials in the Department of Defense also said that those issues that the group had raised would have to be settled "with the Japanese Government." This is quite true. Even without this being pointed out,

officials making the appeal are well aware that these Okinawan issues are Japanese problems.

Nevertheless, it is also true that Okinawan issues cannot be settled through Japanese Government efforts alone. In every event, we need the U.S.' understanding and cooperation. Therein lies the reason why the governor has had to visit the United States to make a "direct appeal" not only twice but three times. In our view, the United States should have responded not merely with its "argument based on principles" but in greater earnest.

It can be easily understood that the U.S. side must have been puzzled at the first visit to the United States by a reformist governor. Since Mr. Ota won the gubernatorial election by advocating complete withdrawal of military bases, the U.S. side must have been rather puzzled at what he had in mind and what he would have to say.

Meanwhile, this was Governor Ota's first visit to the United States since he assumed administration of the prefectural government. To have the U.S. side listen to the appeal and deepen their understanding, it certainly was necessary to show due courtesy. The phrase, "complete withdrawal of the bases," was deleted from the request. "What should be done to save the situation in issues related to military bases in Okinawa?" It is reported that Governor Ota took another step and asked Mansfield, former U.S. ambassador to Japan, for advice with the abovementioned question in mind.

Since it was "his first visit to the United States to make a direct appeal," Governor Ota must have wanted to achieve substantial results at any costs without being too particular about the wording in the appeal.

Concrete Appeal That Is To the Point

Perhaps because it was his first visit to the United States, Governor Ota made the appeal comprehensively.

The fact that about 75 percent of facilities and regions used specially by the U.S. forces is concentrated in Okinawa has restricted Okinawa's regional development. Moreover, noise pollution constantly caused by aircraft or live shooting practice has had a serious influence on the livelihood of prefectural residents. Following his explanation of these aspects concerning the actual situation in Okinawa, Governor Ota cited various points, including: 1) promotion of readjustment and reduction of facilities and areas used by U.S. forces; 2) suspension of plans to install new or additional facilities that may lead to strengthening base functions; and 3) prevention of damage related to military bases. He asked that the U.S. Government should take these issues into special consideration.

Since it was his first visit to the United States, Governor Ota could not but make all-around appeals in the sense that problems should be brought up. Will it not be necessary, however, to work out concrete and pointed appeals for next visit?

Did Governor Ota make the most of the precious experiences of former Governor Nishime's visits and direct appeals to the United States?

U.S. Government officials have already stated that Okinawan issues are Japanese problems; such remarks are nothing new. Since the Japanese Government has not taken the initiative in handling these problems in a positive way, the situation has not improved. Therefore, rather involuntarily, the local administration is apt to make direct appeals to the U.S. Government, which is regarded as the root of the problems. However, it will be necessary to emphasize direct appeals not only to the U.S. Government but to the central government as well.

Continuing Appeals From Okinawa

Mayors of various towns and villages concerned with base issues accompanied the governor "on his recent visit to the United States to make direct appeals". However, responses by the U.S. side have been far stricter than expected. In particular, Governor Ota, who majored in public relations, must have cherished great expectations for the U.S. media. It must have been unwise timing that ruined the visit because the media has shown almost no interest in the appeal.

It certainly is not an easy job to appeal the actual Okinawa situation and win U.S. understanding when the U.S. side insists on the "argument based on principles" and the "argument based on the Japan-United States Security Treaty". However, this does not mean that there is no sense in visiting the United States again because the U.S. side cannot be easily urged to listen to the appeals.

On the contrary, was not the appeal of greater significance because it was made under difficult circumstances?

Governor Ota has stated that he will reiterate the appeals as the "voice of Okinawa" in the future. Our attention will now focus on how he will go about reiterating such appeals.

Investors 'Not Enthusiastic' About U.S. Auction

OW0308094191 Tokyo KYODO in English 0802 GMT 3 Aug 91

[Text] Tokyo, Aug. 3 (KYODO)—Japanese institutional investors are not enthusiastic about taking part in the record 38 billion dollar U.S. quarterly refunding starting next Tuesday, securities industry sources said Saturday.

"This is not the time to make active investment in foreign bonds with foreign exchange risks as we face tough financial environments at home as seen in the case of recent stock scandal," said an official at Sumitomo Life Insurance Co.

Investors who attach importance to the yield in a long-term investment strategy are discouraged by the recent surge in U.S. bond prices ahead of the auction.

"If the yield on 30-year bonds is 8.5 percent, we'll buy them. But if the yield drops to about 8.3 percent, we'll have to say the bonds are expensive," said a trader at an investment trust company affiliated with one of Japan's big four securities houses.

The prospect of continuing massive issuance of U.S. Government bonds to make up for huge budget deficits also weighs heavily on the minds of Japanese institutional investors, the sources said.

Japanese life insurance companies, investment trust companies, securities houses, and commercial banks actively participated in U.S. bond auctions with ample "Japan money" in the latter half of the 1980s, when the Bank of Japan pursued an "overly easy" credit policy.

But a tight money policy in subsequent months put a brake on the growth of investment funds of such investors, making them cautious about investment in U.S. Treasury auctions.

While Japanese participation in next week's auction is likely to be limited, U.S. investors will bid actively as U.S. long-term interest rates are much higher than short-term money rates, an official at Yasuda Trust and Banking Co. said.

Group Demands Cheney Explain Hiroshima Statement

OW0308073491 Tokyo KYODO in English 0645 GMT 3 Aug 91

[Report by Miu Oikawa]

[Text] Hiroshima, Aug. 3 (KYODO)—A group of atom bomb sufferers said Saturday it has sent a letter to U.S. President George Bush asking for an explanation of Defense Secretary Dick Cheney's remarks defending the Hiroshima atomic bombing in August 1945.

Hidankyo, a group composed of "hibakusha" or atom bomb sufferers, said during the second-day meeting of an antinuclear conference that it sent the letter July 31.

Cheney, in an interview with U.S. television in February, said that the U.S. atomic bombing of Hiroshima was the only means left to end World War II and to keep the number of victims at a minimum, and consequently was the right decision.

The group said, "why could it be called a right decision when the atomic bomb and its radiation killed so many people and forced our families and friends to suffer for such a long time?"

It also asked in its letter whether Hiroshima and Nagasaki served as sites for atomic bomb experiments and whether the people were animals for experiments.

The atom bombs killed an estimated 140,000 people in Hiroshima and 70,000 in Nagasaki by the end of 1945.

The group also demanded reasons why the U.S. authorities had banned press reports on the Hiroshima bombing in 1945 and why it does not apologize and compensate the atom bomb sufferers.

The group, which demanded a reply by September 30, has not yet received any answer from the President, it said.

Saturday's meeting, sponsored by the Japan Council Against Atomic and Hydrogen Bombs, a ban-the-bomb organization backed by the Japanese Communist Party, drew 250 participants, including 59 guests from 21 foreign countries and 10 international organizations.

A participant from the Philippines urged the U.S. authorities to provide information on its military bases in the Philippines and on the dangers of storing of nuclear and conventional weapons at Subic Bay Naval and Clark Air Bases.

Corazon Fabros said the recent eruption of Mt. Pinatubo raised public concern over the danger the volcano might present if there are nuclear weapons stored at American bases in the Philippines.

The United States evacuated most of its military personnel and their dependents from Clark.

Japanese Meteorologist Yoshinobu Masuda called for working to prevent environmental destruction along with antinuclear efforts.

He said the Persian Gulf war showed that war is the biggest destroyer of the environment, noting that although no nuclear weapons were used, oil fires have induced phenomena similar to the so-called nuclear winter.

Later during the conference, a hibakusha from Hiroshima recalled his experience 46 years ago.

The Gensuikyo conference will run through Sunday and then the participants will move to Nagasaki for a three-day meeting that starts August 7.

In addition, the rival Japan Congress Against Atomic and Hydrogen Bombs (Gensuikin), an organization backed by the Social Democratic Party, will open its three-day world conference in Hiroshima on Sunday.

In the afternoon session, the participants hoped for the success of the fifth peace wave, a worldwide grass-roots action against nuclear weapons, slated for October 24-27.

Yutaka Sato, member of the Gensuikyo World Conference Organizing Committee, said the aim of the peace wave is to strengthen the power of public opinion and antinuclear movements in order to make the 1990s a turning point in the elimination of nuclear weapons.

Sato suggested the launch of a campaign to send photographs of Hiroshima and Nagasaki overseas to inform people of what he called the antihuman nature of antinuclear [as received] weapons.

American Diane Clark said that children and banners would play new roles in the peace wave, offering new vitality and enhancement to the action.

Dozens of people held placards and postcards in front of the stage as Clark suggested to hang banners in prominent places all around the world to proclaim the hope of people to live in a nuclear weapon-free world.

"We must inform and teach the young people a new way of living, to solve problems without force or violence and to live with a global connectedness," Clark said.

USSR Reportedly Conducts Arctic Nuclear Tests

OW0208150091 Tokyo KYODO in English 1430 GMT 2 Aug 91

[Report by Miu Oikawa]

[Text] Hiroshima, Aug. 2 (KYODO)—Soviet participants attending an antinuclear meeting in this atomic-bombed city said Friday underground experiments using strong nuclear weapons are being conducted on the Arctic island of Novaya Zemlya.

Sergey Kozlov, Valentin Ivanov, and Leonid Kuchmenyov told KYODO news service that the local government announced two years ago that an estimated 10 to 20 tests are held annually on the island.

The three, teachers at a colleage in Vorkuta in Komi Republic, are among the 55 foreign guests from 20 nations attending the Japanese Communist Party-backed Japan Council Against Atomic and Hydrogen Bombs (Gensuikyo) meeting, which opened Friday.

They said a committee calling for halting the tests was established in the republic and its residents are united in the move.

"The military personnel and scientists from Moscow said the tests pose no danger but hunters have seen reindeer with their fur peeling off, apparently from the radiation," Ivanov said. "We have come to the conclusion that there is no reason why the tests should not also affect humans."

The three, visiting Japan for the first time, said they would like to use their experiences in Hiroshima and Japan for their own movement, which they said has only just begun.

Earlier in the day, Joseph Gerson of the American Friends Service Committee, linked the disasters of Hiroshima and Nagasaki with the Persian Gulf war and said atomic bombs should never be used again.

"This year, as we continue to grieve for, and learn from, the victims of Hiroshima and Nagasaki, we must also mourn the victims of the recent Gulf war and consider the war's implications for our work," Gerson said.

"The Gulf war has demonstrated the continued commitment of the nuclear powers, and especially the United States, to deploy and to threaten the use of nuclear weapons," he said.

He also said world history is at a turning point and is therefore all the more open to the vision and influence of peace movements based on justice and the abolition of nuclear arms and all weapons of mass destruction.

Reporting on the situations in Europe after the collapse of the eastern bloc, Guido Grunewald of the Germany Peace Society said a massive transfer of resources to the east is necessary to improve its economic and environmental conditions and to help redress the social foundations of ethnic unrest which is making it more violent.

"This is only possible if military budgets are drastically reduced," he added.

Timothy Fitzpatrick from the Marshall Islands reported on the disasters there, especially on children, caused by the atmospheric testing of nuclear weapons by the United States.

The U.S., between 1946 and 1958, used Bikini and Enewetak Islands to carry out 66 atmospheric tests of nuclear weapons.

The Gensuikyo Conference will run until August 4 in Hiroshima and then will move to Nagasaki from August 7-9.

Russian Republic Premier To Visit 17-24 Aug

OW0308020491 Tokyo KYODO in English 0126 GMT 3 Aug 91

[Text] Tokyo, Aug. 3 KYODO—Russian Republic Premier Ivan Silayev will visit Japan August 17-24 to meet Prime Minister Toshiki Kaifu, Foreign Minister Taro Nakayama and local leaders, Foreign Ministry sources said Saturday.

Silayev will arrive in Hokkaido on August 17 and meet Gov. Takahiro Yokomichi and visit Tokyo on August 19 for meetings with Kaifu and Nakayama. He also will visit Oita Prefecture to meet its gov. Morihiko Hiramatsu before going home August 24, the sources said.

The Russian premier, invited by the ministry and the two prefectures, is expected to discuss the Soviet-held northern islands off Hokkaido and trade exchanges between Japan and the republic when he meets with Japanese officials, they said.

The four islands, Kunashiri, Etorofu, Shikotan and the Habomais, are in the Russian Republic although Japan claims ownership of them.

Joint USSR Fisheries Company Established

OW0308112191 Tokyo KYODO in English 0757 GMT 3 Aug 91

[Text] Kushiro, Hokkaido Pref., Aug. 3 (KYODO)—A joint venture fisheries company established by fisheries cooperatives in Kushiro City and their Soviet counterparts has begun business, officials said Saturday.

The company, called "Most Druzhby," meaning a bridge of friendship in Russian, was established with capital of 40 million yen, with 49 percent held by the Japanese and the rest by the Soviets.

Kamchatkan Kolkhoz and the Soviet Federal Oceanographic Research Institute are listed as the Soviet investors.

The new company will catch crabs and haddock along the Kamchatkan coast, within the Soviet 200 nautical mile waters.

It is the second such joint venture, after the establishment of a fisheries firm, Kamkaido, but officials said they expect to merger the two companies eventually, and the plan has been approved by Japan's Fisheries Agency.

Tokyo To Invite Cambodia's Sihanouk To Visit

OW0208233891 Tokyo KYODO in English 2320 GMT 3 Aug 91

[Text] Tokyo, Aug. 3 KYODO—Japan is planning to invite Cambodian leader Prince Norodom Sihanouk to Tokyo next month in a bid to help promote Cambodian peace talks, Foreign Ministry sources said Saturday.

The ministry is considering inviting Sihanouk, chairman of the Supreme Natonal Council [SNC], a transitional body until free elections are held for a new government, before he goes to New York from Pyongyang to attend a United Nations General Assembly meeting in September, the sources said. Sihanouk now is staying in Pyongyang.

The former Cambodian monarch will head an SNC delegation at the U.N., as agreed on in June by the four warring Cambodian groups—the Vietnam-backed government in Phnom Penh and three resistance factions led by Sihanouk.

The ministry also is considering inviting Prime Minister Hun Sen of the Phnom Penh government to Tokyo at the same time for a possible meeting with Sihanouk, the sources said.

Other ministry sources said they plan to send two permanent staff members to Phnom Penh later this month to prepare for the opening of a Japanese delegation to recognize the SNC when it opens its Phnom Penh headquarters in November.

The Japanese Government plans to send an ambassador-level representative to Phnom Penh to essentially recognize the SNC when the headquarters is opened.

The two officials will staff what is being called the Japanese liaison office for the SNC, the sources said.

Romanian Foreign Minister Arrives for Visit

OW0408074491 Tokyo KYODO in English 0720 GMT 4 Aug 91

[Text] Tokyo, Aug. 4 KYODO—Romanian Foreign Minister Adrian Nastase arrived in Tokyo on Sunday for an six-day official visit to Japan.

Nastase is the first Romanian foreign minister to visit Japan in 16 years.

He is scheduled to have talks with Foreign Minister Taro Nakayama on Monday, Foreign Ministry officials said.

Nastase also is to pay courtesy calls on House of Representatives Speaker Yoshio Sakurauchi, and House of Councillors President Yoshihiko Tuchiya on Wednesday, the officials said.

The Romanian foreign minister is likely to discuss with Japanese Government leaders the economic reforms in Romania and Japanese economic cooperation in promoting the reforms, according to the officials.

Tokyo Pledges $100 Million

OW0508053891 Tokyo KYODO in English 0528 GMT 5 Aug 91

[Text] Tokyo, Aug. 5 KYODO—Japan has pledged 100 million dollars in economic assistance to Romania, Romanian Foreign Minister Adrian Nastase said Monday.

Nastase, who arrived in Japan on Sunday on a six-day official visit, told reporters at the Japan National Press Club that Tokyo has agreed to loan the money as part of its contributions under the the group-of-24 donor program.

"We are really thankful to the Japanese Government," he said.

Foreign Ministry officials confirmed that Tokyo plans to extend up to 100 million dollars in Export-Import Bank of Japan loans to Romania for balance of payments support.

The loans, which do not qualify as official development assistance, will be used, with world bank cofinancing, to help restructure Romania's economy.

Japan has already given similar balance-of-payments support loans to Czechoslovakia, Hungary, and Bulgaria.

Officials stressed that loans to East European countries are entirely untied, despite criticism to the contrary from

some quarters in the United States which argue for tying of American aid to purchases of American goods and services.

The G-24 donor nations agreed last January to aid Romania, following a period of suspicion about its commitment to democracy, human rights, and market liberalization.

In February Japan gave 200 million yen worth of powdered milk to Romania and the government plans to invited 20 Romanians to Japan this fiscal year for training in various fields.

The 12-nation European Community has been attempting to fashion a 1 billion dollar assistance program for Romania, but so far only 250 million dollars ha. been committed by West European nations and Canada. A U.S. pledge has yet to be announced.

The Japanese pledge should bring the pledged amount to 350 million dollars.

Nastase on Hungarian Situation

OW0508102191 Tokyo KYODO in English 0802 GMT 5 Aug 91

[Text] Tokyo, Aug. 5 KYODO—Continued Western aid to Hungary could help dampen irredentist calls there for a reincorporation of the Romanian Province of Transylvania, Romania's Foreign Minister Adrian Nastase said Monday.

"We are in favor of the West continuing to assist Hungary," Nastase told reporters at the Japan National Press Club.

"In this way some of the problems that might exist there will not be turned into any kind of nationalistic temptation," he said.

The foreign minister, who arrived in Japan on Sunday on a six-day official visit, was referring to unofficial Hungarian claims on Transylvania, a former part of the Austro-Hungarian Empire where most of Romania's 2 million ethnic Hungarians now reside.

"Unfortunately, there are people in Hungary or Hungarians outside who have a certain kind of nostalgia for the old Austro-Hungarian Empire," Nastase said.

But he insisted that on a government-to-government level, "we have no problem whatsoever with Hungary concerning Transylvania."

Nastase noted that neighboring Hungary is the most indebted country in Eastern Europe on a per capita bais, spending some 40 percent of its export earnings to service its external debt.

Denying charges of discrimination against ethnic Hungarians in Romania, Nastase said, "There are no problems with their rights."

He said Hungarian nationalists "are tempted to use the (issue) of the rights of the Hungarian minority in Transylvania as a kind of political instrument for keeping the issue of Transylvania hot."

Last June, the Geneva-based International Labor Organization (ILO), a United Nations agency, issued a report alleging that Romania's ethnic Hungarians still do not have equality of opportunity despite reforms instituted by Bucharest.

Nastase said, "Perhaps we have to take into consideration that the minority cannot live better than the majority in a country which has problems as Romania has."

"There is no possibility of having two speeds of democratization—one for the majority and another for the minorities," he said.

Last May, Hungary's minister of minority affairs, Geza Entz, charged during a visit to Romania that ethnic Hungarians continue "to be denied...perspectives" of a future.

Entz reportedly angered Romanians when he said that "frontiers are not eternal" in response to a question about the current Hungarian-Romanian border.

First Batch of Aid Workers Returns From Peru

OW0408113991 Tokyo KYODO in English 1115 GMT 4 Aug 91

[Text] Narita, Chiba Pref., Aug. 4 KYODO—The first batch of Japanese aid workers from Peru arrived at Narita Airport Sunday as the government temporarily withdraws its aid workers from that country because of recent terrorist attacks against Japanese and Japanese-Peruvians.

The first evacuees were eight members of the Japan Overseas Cooperation Volunteers who had been serving in the Peruvian capital of Lima. The Japanese version of U.S. Peace Corps is a division of the Japan International Cooperation Agency (JICA).

"I regret not completing my term as a teacher of Japanese. I'm sorry not to say goodbye to concerned people in Lima," Kenji Soejima, 33, of Saga Prefecture, who had been teaching Japanese, told reporters.

Music teacher Tomoko Senba, 31, of Kumamoto Prefecture said, "I feel sorry for Peruvian children because I was forced to return home."

A second batch of 42 JICA experts is to arrive at Narita on Friday, JICA officials said. All 131 aid workers and their families will be back in Japan by the end of the month, officials said.

Three Japanese agricultural engineers were shot dead by Maoist Shining Path guerrillas in Huaral, 100 kilometers north of Lima, on July 12.

On July 16, Japanese-Peruvian Cesar Fukuda, 41, one of the country's leading poultry processors, was abducted in an attack in which his driver-bodyguard was killed. He was released last week after his family paid a ransom. Other Japanese-Peruvians have been attacked by alleged guerrillas in past weeks.

Further Reportage on Securities Industry Scandal

Hashimoto on Involvement

OW0308043591 Tokyo KYODO in English 0403 GMT 3 Aug 91

[Text] Tokyo, Aug. 3 KYODO—Finance Minister Ryutaro Hashimoto said Saturday that his private secretary served as an intermediary in loans worth 260 billion yen arranged by an official of Fuji Bank Ltd. by issuing fake deposit records as collateral.

Hashimoto said at a hurriedly-called press conference that Toyoki Kobayashi, 50, a former Tokyo Metropolitan Assembly member, who manages Hashimoto's Tokyo office, introduced five clients who wanted to borrow money to the Fuji official.

Of the five, three clients borrowed loans successfully, Hashimoto said.

The MAINICHI SHIMBUN reported in its Saturday morning edition that an entertainer and the owner of a famous Japanese restaurant borrowed 150 million yen and 1 billion yen, respectively, in the loans prepared by Minoru Nakamura, 38, a former section chief at Akasaka branch of Fuji Bank. Nakamura has been dismissed for his role in the deal.

Fuji Bank officials said Nakamura issued fake deposit records so clients could use the nonexistant deposits as collateral for loans from a finance company.

Hashimoto said the entertainer, the restaurant owner and an operator of a sport goods store have close relationships with him.

Hashimoto Considers Resignation

OW0308145691 Tokyo KYODO in English 1433 GMT 3 Aug 91

[Text] Tokyo, Aug. 3 (KYODO)—Finance Minister Ryutaro Hashimoto told a powerful figure within the ruling Liberal Democratic Party (LDP) on Saturday he is considering resigning, political sources said.

The sources refused to reveal the identity of the LDP figure, but quoted Hashimoto as saying, "I'd like to consider my resignation after putting in place measures for preventing a recurrence of the securities scandal, including a revision of the Securities Exchange Law."

Hashimoto used a press conference earlier the same day to apologize over revelations his private secretary Toyoki Kobayashi, 50, had asked a former division chief of Fuji Bank's Akasaka Branch, Minoru Nakamura, 38, to arrange loans for two of Hashimoto's acquaintances and a company.

Nakamura has admitted to fabricating deposit certificates for use as collateral to help 23 of the bank's corporate clients secure 260 billion yen in loans from other nonbank financial institutions.

At the hastily arranged press conference, Hashimoto did not commit himself on whether he would resign to assume responsibility for the newly unveiled scandal.

Hashimoto said he believed his secretary did not receive kickbacks in return for asking Nakamura to arrange the loans for the three.

Major opposition parties, including the Social Democratic Party, Komeito, Communist Party and Democratic Socialist party, served notice Saturday they will use an extraordinary Diet session beginning Monday to pressure Hashimoto over responsibility for his secretary's involvement in arranging the loans.

Hashimoto indicated he will stay on as finance minister for the time being, saying he is ready to endure questioning in the Diet.

But government and LDP leaders say it will be difficult for him to evade the issue of responsibility, the sources said.

Hashimoto has so far refused to step down over the securities scandal.

In a separate press conference Saturday, Kobayashi admitted he had asked Nakamura to extend a total of 1.27 billion yen in loans to two of Hashimoto's acquaintances and a company.

Kobayashi, who was responsible for Hashimoto's fund-raising activities in Tokyo, said he met Nakamura at a party in early 1990 through a company executive who is a member of the "shoryukai," Hashimoto's political support group in Hokkaido.

"I introduced the three (to Nakamura), but was not aware of the details of the financing to them," Kobayashi said.

Police are now questioning Nakamura over charges that he and two other Fuji Bank officials falsified bank records for nonexistent deposits for the bank's 23 corporate clients.

Kobayashi told reporters he was not aware the 1.27 billion yen was a part of the controversial 260 billion yen in loans the bank's 23 clients earlier secured with the help of Nakamura.

Kobayashi identified the three recipients of the 1.27 billion yen as Masahiko Tsugawa, a popular actor and long-time acquaintance of Hashimoto, the female owner of the "Obana" Tempura Restaurant in Akasaka,

another Hashimoto acquaintance, and the Uenohara Sports Hills Co. in Yamanashi.

Kobayashi also admitted he "conveyed" to Fuji Bank executives Nakamura's request to remain at the bank's Akasaka Branch despite the bank ordering him to assume another post at one of its other branches.

"I only conveyed his request (Nakamura) in the course of a conversation (with Fuji executives), but it has nothing to do with the series of loans (to 23 companies)," Kobayashi said.

Kaifu on Hashimoto's Role

OW0508042491 Tokyo KYODO in English 0405 GMT 5 Aug 91

[Text] Tokyo, Aug. 5 KYODO—Prime Minister Toshiki Kaifu signaled Monday that Finance Minister Ryutaro Hashimoto would remain in his cabinet, despite the revelation that the manager of Hashimoto's Tokyo office was deeply involved in a bank scandal.

Kaifu, responding to a reporter's query about opposition pressure to sack Hashimoto, said it is more important to take a "forward looking stance" by focusing on tightening securities trading regulations to avoid a recurrence of the compensation scandal also shaking Japanese financial markets.

Meanwhile, Chief Cabinet Secretary Misoji Sakamoto indicated at a regular news conference that he expects Hashimoto to continue working on legislation revising the Securities Exchange Law, expected to be submitted to an Extraordinary Diet Session opening Monday.

Opposition lawmakers are expected to demand Hashimoto take responsibility for his secretary's role in helping the minister's acquaintances obtain false documents that aided them in winning loans.

On Saturday Hashimoto apologized to Kaifu on the telephone for the involvement of his secretary, Toyoki Kobayashi, in the Fuji Bank loan scandal, Sakamoto said.

Kobayashi helped several individuals obtain false deposit certificates from Fuji Bank so that they could borrow money from nonbank institutions.

LDP's Obuchi May Support Committee

OW0308112491 Tokyo KYODO in English 1035 GMT 3 Aug 91

[Text] Naha, Aug. 3 (KYODO)—The Secretary General of the ruling Liberal Democratic Party (LDP), Keizo Obuchi, indicated Saturday the LDP might agree to establish a special Diet committee on the stocks scandal as proposed by the opposition.

"If there is need for intensive parliamentary deliberation on the scandal, I will ask LDP members to set up such a special committee," Obuchi said.

The opposition Democratic Socialist Party has claimed the necessity of creating a special Diet committee on the matter at the extraordinary session of the Diet to be convened next Monday.

Obuchi, who was visiting Naha to attend a local LDP branch's party, also called for overall discussion of the Japanese financial world in connection with the stocks scandal during the Diet session.

"We must clean up such corruption in the business world for the development of free economy," Obuchi said.

The Finance Ministry announced Tuesday the list of favored clients whose investment losses were compensated by the "Big Four"—the Nomura, Nikko, Daiwa, and Yamaichi Securities Companies.

The list showed that the four biggest brokerages paid a total of 128.3 billion yen between 1988 and 1990 to 231 major customers, including three individuals, to make up for market losses.

Following the lead of the Big Four securities companies, other second- and third-tier brokerage houses released Wednesday the names of 386 clients who received compensation for stock market losses.

Securities Dealers' Chief Remarks

OW0508112691 Tokyo KYODO in English 1005 GMT 5 Aug 91

[Text] Tokyo, Aug. 5 (KYODO)—Shogo Watanabe, president of the Japan Securities Dealers' Association, said Monday the industry will strengthen self-controls to prevent a recurrence of scandals involving securities firms.

Watanabe made the remark after the inaugural session of the association's Reform Promotion Panel created following disclosures that Japan's Big Four and other securities companies compensated favored clients for market losses.

Two of the big four, including Nomura and Nikko, also admitted they provided billions of yen in loans to Japan's second most powerful underworld gangster organization, Inagawa-kai.

Watanabe, who heads the panel, said the group agreed that the association should tighten self-controls and study measures to prevent brokerages from compensating favored clients for their stock trading losses.

The group will also discuss whether to formulate an ethics code for employees in the industry, he said.

Watanabe added that no proposal was set forth for the creation of an independent organ patterned after the U.S. Securities and Exchange Commission.

Panel members agreed that the association should strengthen its function as a group to oversee operations of member companies, he said.

Officials Seek Support for Arms Trade Proposal

OW0308104791 Tokyo KYODO in English 0816 GMT 3 Aug 91

[Text] Tokyo, Aug. 3 (KYODO)—Japan will ask developing nations to support its proposal for controls on weapons trade through the United Nations, Foreign Ministry officials said Saturday.

The officials said Japan hopes the proposal, set forth by Prime Minister Toshiki Kaifu last May, will be approved at the U.N. General Assembly session this fall.

The Foreign Ministry is trying to persuade as many developing nations as possible to also sponsor the proposal in order for it to be endorsed at the General Assembly session, the officials said.

The proposal, laid down by Kaifu in a keynote speech at the U.N. Disarmament Conference in Kyoto last May, calls for transfer of conventional weapons to be reported to the United Nations.

Britain has agreed to jointly sponsor the proposal, while the United States expressed its support for it, the officials said.

Japan is not confident the proposal will receive overwhelming support at the U.N. session because many developing nations, mostly weapons importers, are reluctant to disclose information regarding arms deals, the officials said.

They added that Middle East countries in particular are opposed to the proposal because of concern over their national security.

The officials did not rule out the possibility that the proposal may be carried over to the General Assembly session next year.

Local Assemblies Surveyed on Rice Market Issue

OW0308043991 Tokyo KYODO in English 0204 GMT 3 Aug 91

[Text] Tokyo, Aug. 3 KYODO—Nearly 80 percent of Japan's 47 prefectural assemblies have passed resolutions or appeals opposing liberalization of the rice market, according to a survey by the National Association of Chairmen of Prefectural Assemblies.

Local politicians at 36 prefectural assemblies opposed a spate of remarks by some ruling Liberal Democratic Party (LDP) leaders about a partial lifting of a ban on rice imports, an official with the association said.

Although farmers now make up less than 8 percent of the overall working population, local politicians still depend on their support, the official said.

The number of prefectural assemblies against giving foreigners wider access to the rice market is increasing in proportion to heightening U.S. pressure to open the markets. Last year, 30 prefectural assemblies adopted such resolutions, up from 22 in 1989.

Prime Minister Toshiki Kaifu's cabinet has reaffirmed that Japan maintains its 45-year-old policy of shutting foreign rice out of the Japanese market to protect farmers, arguing that rice is a staple food for Japanese.

Among Japanese political parties, the second-largest opposition party, Komeito, made a policy shift that favors partially lifting the ban on rice imports.

The closed Japanese rice market is a major stumbling block to the stalled Uruguay Round under the General Agreement on Tariffs and Trade, along with a dispute over farm subsidies between the United States and the European Community.

Political leaders of the seven leading industrial democracies have been urged to "make a political decision" to spur the multilateral trade negotiations, which have been deadlocked since late last year mainly because of wide differences in views over farm trade.

LDP's Watanabe on Election, Securities Scandal

OW0208174091 Tokyo NHK General Television Network in Japanese 1200 GMT 1 Aug 91

[Interview with Michio Watanabe, chairman of the Liberal Democratic Party's, LDP, Watanabe faction, by NHK announcer Tadashi Sonoda; fourth in a series of interviews with LDP factional leaders on strategies for the upcoming party presidential election; date and place not given—recorded; from "NHK News 21" program]

[Text] [Sonoda] Mr. Watanabe, this will be the first presidential election after your becoming a faction leader. As a matter of course, will you run in the election?

[Watanabe] Everyone knows that when you become the chairman of a faction, you are pursuing the party presidency and the premiership. If I have a chance, I would like to run for president.

[Sonoda] You mean you will indeed run?

[Watanabe] Well, I am undertaking various preparations to be a candidate.

[Sonoda] We have been asking various questions in this series of interviews. With regard to Prime Minister Kaifu's staying on in office, Mr. Kanemaru made quite positive remarks, while Mr. Mitsuzuka made a negative statement. Mr. Watanabe, what are your thoughts?

[Watanabe] For one thing, it is up to the prime minister himself to decide whether he wants to stay in office. Do you not think so? There is a prohibition on running for a third term, but there is no such prohibition for a second term. A total of two two- year terms is allowed. In the case of Mr. Nakasone, he obtained a one-year extension because of a landslide electoral victory. First, it is for Mr.

Kaifu to decide. Second, it is for party members to decide. Everyone is free to run for president. The rule says that anyone who obtains the endorsement of 30 Diet members can run.

[Sonoda] I think it would be impossible for the Watanabe faction to fight alone in this presidential election; cooperation or alignment with other factions will become an important factor in the future...

[Watanabe, interrupting] For the moment, we are not thinking of cooperating with any specific faction. As long as there is an endorsement from more than 30 Diet members, it will be all right to have five or seven candidates. Everyone is free to run. We have to hold an open election. If we practice managed voting—that is, organizations affiliated to specific factions are told to vote according to the wish of the faction—it cannot be called an open election. Does this not contradict political reform? Therefore, I think it would be okay to endorse a candidate. However, in the final voting, votes should be cast according to party members' and Diet members' consciences. I think that would be the best way. Nevertheless, maneuvering to win the support of the majority is an inevitable process in an election. We will think about that when the time comes.

[Sonoda] There are two ways to elect the president, by popular vote or through consensus.

[Watanabe] Under the present circumstances, I think there will be a popular election. However, I think this will be decided by the end of September, after an assessment of the party president's two- year term is made, and questions like: the status quo is fine; let us just carry on; or, oh no, we must correct this and that, are resolved. We cannot decide on the future course right now based on preconceived notions. We can never tell what will happen. There is a saying that in politics, what lies ahead is all darkness. On the other hand, what lies ahead may well be sunshine, too.

[Sonoda] With regard to settling the Recruit issues, Mr. Watanabe...

[Watanabe, interrupting] It all depends on the individual concerned. There are people who committed illegal acts, and there are those who have not done anything illegal. Some have no idea at all about what happened; some had no other choice. It all has to be taken on a case-by-case basis. In my case, personally, I think I have already settled the issue.

[Sonoda] Yesterday, when I talked to Mr. Miyazawa, he spoke about political reform and said that at present, politics costs too much money. Because politics costs too much money, faction management is reaching its limits. What do you think of this issue, Mr. Watanabe?

[Watanabe] If you set your mind to spend, politics indeed costs money; if you set your mind to not spend, politics does not cost money. With regard to the basics of political reform, of course, I think first that politicians and candidates themselves need to straighten up their attitude. However, the voters' understanding is also necessary. One cannot do without the other. I think money is spent only because something is gained by doing so. Therefore, while it is important to prohibit those who spend from spending, no one will do such a thing if we create a political climate in which the voters suspect a candidate is running an extravagant campaign and think: where does all that money come from, and in which the voters reject candidates who spend money on extravagant campaigns, who engage in character assasination, and who engage in an outrageous competition to grant favors to voters.

[Sonoda] About the stock scandal, the extraordinary Diet session beginning next week will hold deliberations on the matter. Mr. Watanabe, for your part, what will you do to effect a thorough investigation of the truth of the matter?

[Watanabe] On this issue, I think ichinin kanjo [transaction in which an investor cedes his proxy on investment decisions to the brokerage house] should be discontinued; that is to say, investment decisions should not be left in the hands of brokerage housess. The investor should be consulted on all instances of buying and selling of stocks; that is, investment should be made just like any transaction in the stock market. It is important to first ban ichinin kanjo.

There is an ongoing debate on whether to form a third-party watchdog organization, or whether to set up a supervisory agency similar to the U.S. SEC [Securities and Exchange Commission]. I have not reached any conclusion on whether we should create an agency identical to the United States. I think we should determine whether a U.S.-style or a Japanese-style agency would be better by listening to the opinions of the investors. In any case, we must do away with the present supervisory system and ichinin kanjo. The supervisory system should be reinforced. I think these measures could be very important.

LDP's Komoto Interviewed on Party Situation

OW0308124891 Tokyo NHK General Television Network in Japanese 1254 GMT 2 Aug 91

[Interview with Toshio Komoto, head of the Komoto faction of the Liberal Democratic Party, LDP, by NHK newscaster Tadashi Sonoda; fifth and last in a series of interviews with LDP factional leaders citing their views on the upcoming party presidential election; date and place not given—recorded; from "NHK News 21" program]

[Text] [Sonoda] Do you think Prime Minister Kaifu is considering remaining in office?

[Komoto] I do not believe he is thinking about doing that at this stage.

[Sonoda] Well, Mr. Komoto, do you think Mr. Kaifu should continue in office?

[Komoto] I myself believe that his considerations about not remaining in office is appropriate. Anyway, at this stage he should not think about it. That is how I feel.

[Sonoda] I think he will make a decision either way when the time comes. Does this mean that the time is too early for that yet?

[Komoto] The prime minister himself has said time and again that during the remainder of his term, which is three months, he will do his best at what he is doing and will take care of various pending matters. He has also said that he is not considering anything else. What will he be able to achieve in taking care of the pending matters during the remaining three months? There are some issues which have happened recently arisen. How should these issues be resolved? I think the party's evaluation of him will come naturally in the course of these things being resolved. That being the case, I think that at this stage the prime minister should not think of anything else and should concentrate only on what he is doing.

[Sonoda] When Mr. Kanemaru of the Takeshita faction was here recently, he spoke to the effect that he would not mind if Mr. Kaifu continued in office. What is your comment to that?

[Komoto] I have heard about that myself. But at this stage he has work to do and must tackle the pending tasks with everything he has. Unless we have seen how his achievements are evaluated within the party, we cannot make a prediction.

[Sonoda] Speaking about how the president should be chosen, do you think he should be chosen through an election or through negotiations?

[Komoto] In the LDP [Liberal Democratic Party] rules there are provisions that a president should be chosen through an election. Therefore, I think it should be done through an election as a matter of principle, but to look back on presidential elections in the past, there have been many cases wherein the process started out toward elections but ended in negotiations. We will have to watch a little longer to be able to tell whether it will be done through an election or negotiations this time.

[Sonoda] Then you mean that there is a possibility that the president will be chosen through negotiations.

[Komoto] Yes, you are right, since it has been by either one of the two ways in the past—either by an election or by negotiations. Even though there are rules, this does not mean that it should not be done through negotiations. Hence, I think that is possible.

[Sonoda] In case Prime Minister Kaifu decides to run for reelection, the moves by LDP's largest faction led by Mr. Takeshita will be crucial.

[Komoto] You are right. The move by the Takeshita faction will determine the future of the political situation. But then there are other factions in the party. Their contributions to the party will have to be taken into account, too.

[Sonoda] Prime Minister Kaifu says he is staking his reputation on political reform, but there are considerable voices of objection against the existing political reform bill draft within the LDP. Should it turn out that the bill is scrapped during the next extraordinary session of the Diet—which will open next week—Prime Minister Kaifu will be asked to take political responsibility for it.

[Komoto] This affair is not simple. While there are differing views on it within the party, all opposition parties are against it. Therefore, it will not be easy. Dialogue needs to be continuosly held in pursuit of contact points with opposition parties. For their part, the opposition parties will need to stop voicing only objections and should come up with alternatives. Then the drafts given by the opposition parties and the LDP can be compared, and contact points will be found. Progress can be made in this process, but I admit this will be a difficult process.

[Sonoda] The extraordinary Diet session will take up the political reform bill, but it will also handle the securities scandal—the much talked-about topic now. About the securities issue, how do you think this matter should be settled?

[Komoto] All the facts must be made clear without delay. What needs to be done must be decided based on these facts. I think it is important that a framework be established so that such things can never happen again.

Mongolia

Labor Discipline, Restoration of Order Urged

OW0508075891 Ulaanbaatar MONTSAME in Russian 1700 GMT 31 Jul 91

[Text] Ulaanbaatar, 31 July (MONTSAME)— [Words indistinct] in an effort to somehow raise labor discipline, which has been corrupted and ignored by "democracy", and to restore order in production and administration. All organizations are required to refer to this document while forming their own rules.

Special attention is given to fixing exact times for workers to report to work and for improving work time exploitation. In short, the new government document may be seen as an attempt to "tighten the screws" in terms of enhancing dicipline and order in production, which has long required even tougher measures.

People's Great Hural Divided Over System

OW0508082191 Ulaanbaatar MONTSAME in Russian 1708 GMT 31 Jul 91

[Text] Ulaanbaatar, 31 Jul (MONTSAME)—The majority of the MPR [Mongolian People's Republic] People's Great Hural deputies who come from the capital—97 percent—today support a parliamentary form of government, while 70.12 percent of the deputies from rural areas, specifically from the Western regions of the country, support presidential rule. This came out at a poll on basic questions on the national draft constitution of the MPR conducted among the deputies. The poll was conducted by the employees of the governmental Center for Studies of State Policy and Social Issues.

It seems likely that the reconstruction of the administrative and territorial division suggested in the draft will not find support with the majority of the deputies at the upcoming session of the People's Great Hural. The preservation of the present structure of 18 aymags was supported by 63 percent of deputies from the capital and by 93.5 percent of rural deputies. The preservation of the somons was supported by 50 percent of the deputies from the capital and 85.71 percent of rural deputies.

As the poll revealed, the majority of the deputies of the People's Great Hural favor the preservation of the present name of the state while ignoring other suggested names—the State of Mongolia, People's State of Mongolia, the Republic of Mongolia, and Mongolia.

Public Organizations Support Anti-Communist Fight

OW0508082391 Ulaanbaatar MONTSAME in Russian 1704 GMT 31 Jul 91

[Text] Ulaanbaatar, 31 Jul (MONTSAME)—Several public organizations expressed support for the decision by new political forces to create a single block and fight the communist threat. They include the Voluntary Committee for Human Rights, the Mongolian Amnesty Group, [words indistinct] and Union of Mongolian Youth and the Union of Mongolian [words indistinct].

Exporters Seek Partners in International Trade

OW0508082291 Ulaanbaatar MONTSAME in Russian 1715 GMT 31 Jul 91

[Text] Ulaanbaatar, 31 Jul (MONTSAME)—At present, the main suppliers of the country's export goods are the "Noosimpeks" and the "Arsimpeks" companies and their enterprises, as well as the "Gob" Trade and Production Association. Furthermore, several kinds of animal husbandry products are exported. Today there are goods worth $67 million in the warehouses, and by the end of this year the country has the opportunity to sell goods worth about $250 million. As to the structure of export production, the predominant goods are goat's down artifacts, carpets, leather goods, sheepskin coats, and various fur coats. However, because of a drop in demand for goat's down goods in the world market, there are some difficulties in selling the Mongolian cashmere, and [words indistinct] enterprises and firms of Mongolia make serious efforts to find reliable partners on the international market.

North Korea

Text of Kim Il-song Talk on Reunification

SK0508071491 Pyongyang KCNA in English 0531 GMT 5 Aug 91

[Text of Kim Il-song talk: "Let Us Achieve the Great Unity of Our Nation"]

[Text] Pyongyang August 5 (KCNA)—"Let Us Achieve the Great Unity of Our Nation," talks of the great leader President Kim Il-song to the senior officials of the Committee for the Peaceful Reunification of the Fatherland and the members of the North side's headquarters of the Pan-Korean Alliance for National Reunification on August 1, 1991, was carried by NODONG SINMUN on August 5.

Follows the full text of the talk:

The pan-national rally for the peace and reunification of the fatherland was held last year on the occasion of the 45th anniversary of national liberation, and this year the second pan-national rally is going to be held on the occasion of August 15. I think it is a good thing that the pan-national rally and the various joint national festivals for reunification are held on the memorable occasion of national liberation. We must work hard to make the forthcoming events a success as well as a major occasion to achieve great national unity and accelerate the reunification of the country.

To achieve the reunification of our country means linking the nation's blood vessels which were cut artificially, bringing about national harmony and achieving national independence throughout the country. In other words, it concerns the fate of our fellow-countrymen; it is a matter that affects the life of our nation.

As is well known, our country was divided not by the contradictions within our nation, but by the work of foreign forces. After the end of the second world war, the Korean question was handled in the interests of the great powers, contrary to our nation's desire and will to independence, and the United States occupied South Korea. As a result, Korea was divided into North and South. It is because of continued interference and obstruction by the foreign forces that Korea's reunification has not yet been achieved.

Over the past half a century since our country was divided, not a day has passed without our nation's misfortunes and sufferings weighing on my mind, and without my thinking how to reunify the country. We must not hand down the task of national reunification to our younger generation. We must reunify the country in the lifetime of our generation. National reunification is

the supreme desire of the Korean people, and there is no more pressing task for them than to reunify the country.

The reunification of our country must be achieved independently and in a peaceful way and this calls on us to achieve a great unity of the whole nation. The realization of the independent and peaceful reunification of the country is inconceivable without great national unity. Great national unity is a fundamental precondition for the achievement of the independent and peaceful reunification of our country, as well as its essential content.

The first and foremost task in the cause of national reunification is to achieve the great unity of our nation.

In whatever movement we can emerge victorious only when we strengthen the driving force and increase its role. This is the essential truth of the revolution and it has become our philosophy which we have acquired as a faith through a long revolutionary struggle.

The driving force for national reunification is the entire Korean nation. The reunification of the country is our nation's cause for independence, and it can be achieved by our nation's own force. Every one of the Korean people is responsible for national reunification and must carry out his or her responsibility and play the role as such in the struggle to reunify the country. If our nation, as the driving force of national reunification, is to fulfil its responsibility and role, it must be united firmly as one. The strength of the driving force is precisely the strength of its unity. The decisive guarantee for the independent and peaceful reunification of the country lies in the achievement of the unity of the whole nation and in strengthening the driving force of reunification.

All the Korean people must unite closely under the banner of great national unity, in the spirit of patriotism and national independence.

A nation is a solid community which has been formed and developed historically and it is a unit of social life.

Historically, people have lived with a country and a nation as a unit and have shaped their destiny by joint effort. The question of a nation essentially means the question of achieving and defending its independence. Independence is the lifeblood of the people as well as of their country and nation. If a man is deprived of his independence, he is as good as dead; likewise if a nation is deprived of its independence, its existence and development is inconceivable.

Only when the independence of a country and a nation is achieved, the independence of the individuals can be realized; no one can escape the fate of slavery if one's country and nation is enslaved, for the life of an individual as a member of the nation exists in the life of his or her country and nation. It is precisely for this reason that, although a nation consists of different classes and strata, the people love their country, value the nation's independence and they fight in unity for the independence of the country and the nation. People love their fatherland and value the independence of their nation. This is the thought and feeling common to every member of the nation.

Originally, nationalism came about as a progressive idea that advocated the national interests. It is true that the newly-emergent bourgeoisie took the lead in the nationalist movement under the banner of nationalism, and yet, it cannot be regarded that nationalism was an ideology of the capitalist class from the outset. During the period of the bourgeois nationalist movement against feudalism, the interests of the popular masses were basically identical with those of the newly-emergent bourgeoisie, and accordingly nationalism reflected the common interests of the nation. Subsequently, as capitalism developed and the bourgeoisie became the reactionary ruling class, nationalism was reduced to the ideological means of defending the interests of the capitalist class. Bourgeois nationalism conflicts with genuine nationalism which truly advocates the interests of the nation. That the idlers, who may be called the parasites of the nation, pose themselves as nationalists clamouring for nationalism is nothing but mere deception. Only he who does any work, mental or physical, which is beneficial to the nation, can be a genuine nationalist.

In our country, the land of homogeneous nation, genuine nationalism exactly means patriotism. Our nation which has inherited the same blood generation after generation and built up brilliant national culture with the same language on a same territory is a nation with a strong spirit of patriotism and independence. Our people have always loved their fatherland ardently and fought vigorously to defend the independence of the country and the nation. This is a proud tradition of our nation.

My father set out the idea of "chiwon" (aim high-tr.) [as received] and educated us in patriotism and in the spirit of national independence. So I took the road of struggle with a resolution to dedicate all my life to saving the destiny of the country and the nation. My revolutionary activities began with the struggle for national liberation and in the course of the struggle to establish the chuche of the nation, the chuche of the revolution, I have evolved the chuche idea, the guiding idea of our revolution. I have been fighting all my life for the independence, sovereignty and prosperity of our nation, for the independence of the masses of the people. As a matter of course, I am fighting for the independence not only of our people but also of the people throughout the world, and for the abolition of exploitation and oppression of man by man not only in our country but also all over the world. Just as it is inconceivable for a person, who does not love his parents and brothers, to love his country and nation, so it is unthinkable for a person, who is indifferent to the destiny of his nation, to be loyal to the world revolution. As I always say, a genuine patriot can be a true internationalist loyal to the world revolution. In this sense I can say that I am a communist and, at the same time, a nationalist and internationalist.

At the present stage of historical development in which the destiny of the popular masses is shaped with a country and nation as a basic unit, the whole nation must firmly establish the chuche of the nation and fight in unity for its common interests and prosperity. We must not only achieve national reunification on the basis of great national unity, but also build an ideal society of the people relying on the united effort of the entire nation after the country is reunified, so that all the people enjoy equally unbounded happiness on this land.

A nation must regard its independence as its lifeblood and advocate and realize its independence by united effort and achieve its common prosperity. I can say this is our chuche-orientated view on the nation.

We have firmly adhered to the principle of always believing in and relying on the united strength of the people either in the struggle against imperialism or in the struggle for the building of socialism. We have given top priority to the national interests and relied on the united strength of the people in the struggle. We can say that this is the secret of our victory we have achieved in the revolution and construction.

We emerged victorious from the anti-Japanese revolutionary struggle for national liberation because the anti-Japanese guerrillas and the people forged ties of kinship and all anti-Japanese patriotic forces fought in close unity. During the anti-Japanese revolutionary struggle we knit together the patriotic people from all walks of life around the anti-Japanese national united front and fought Japanese imperialism with the United strength of the nation.

The Association for the Restoration of the Fatherland, formed in 1936, was an anti-Japanese national united front organization comprising the broad segments of patriotic people who opposed Japanese imperialism and aspired to national independence. This association united all the anti-Japanese patriotic forces from all walks of life, including the communists, nationalists, workers, peasants, intellectuals, youth and students, and conscientious national capitalists and religious men. We established the tradition of national unity in the course of waging the anti-Japanese revolutionary struggle, relying on the broad-based anti-Japanese national united front.

In the struggle to build a new society after national liberation, too, we channeled our efforts first into achieving great national unity. In my speech addressed to the people after national liberation, I called upon all the people loving the country and the nation and democracy to unite as one and to make a positive contribution to nation-building, those with strength giving strength, those with knowledge contributing knowledge and those with money offering money. We pushed forward dynamically the building of a democratic new state and socialist construction, relying on the united strength of all sections of people. Our socialist construction aims at enabling all our people to lead happy and worthwhile lives in a society free from exploitation and oppression.

The socialist society we are building is socialism centred on the masses of people in the literal sense of the word. Socialism centred on the masses of people means a genuine society for the people where all the people are masters of the country and everything in society serves the popular masses. We need not build socialism which does not serve the masses of people nor can we build socialism centred on the popular masses without uniting the popular masses.

Our national reunification, too, aims at realizing the independence of our nation, at achieving the common development and prosperity of the nation and at making all the Korean people lead happy and worthy lives in one reunified land. It is natural, therefore, that the whole nation should unite its will and rally as one in the struggle for national reunification, and this is fully possible.

The joint conference of the representatives of the political parties and social organizations of North and South Korea was held in Pyongyang in 1948. We called this conference to discuss the pressing save-the-nation measures and national reunification question facing the nation at the time. The conference was attended by representatives of almost all political parties and social organizations from South Korea except Syngman Rhee's party. Kim Ku, the leader of the "Korean Independence Party," too, attended the conference. In the pre-liberation years when he was in the "Shanghai provisional government" Kim Ku had regarded communists as his enemies. But he attended the conference by accepting our just proposal to meet and have a heart-to-heart discussion on the important question concerning the destiny of the nation as members of the same nation, and he eventually took the road of alliance and unity with the communists. He had no clear idea of genuine communists, but he was a patriot. He made a good speech at the North-South joint conference and after his return to South Korea he fought for national unity and reunification before he was assassinated by the Yankees and their stooges.

Historic April North-South joint conference showed clearly that despite differences in ideology and ideal, political view and religious belief all people can unite in the struggle for the common cause of the nation.

If all the nation fights in concord and unity drawing on the tradition and experience of national unity built up and gained in the course of realizing our nation's cause of independence, we can achieve without fail national reunification, the supreme task of the nation.

The concord and unity of the whole nation precisely means national reunification we want. What is cardinal in national reunification is not its procedures or methods but the achievement of the genuine harmony and unity of the whole nation. If all the people in the North and the South and overseas compatriots unite their minds and,

on this basis, attain a great national unity the cardinal probiem in national reunification will be solved and then other problems will naturally be resolved easily.

In recent years signal progress has been made in the efforts to bring about national unity.

Last year, after the August 15 pan-national rally the pan-national reunification concert was held; there were also held the North-South reunification football matches and art festival. This year the North and the South formed unified teams and jointly participated in the world table tennis championships and the world youth football championships.

This resulted from our people's desire for reunification that had increased more than ever before and the intensified trend towards national concord and unity. This delighted all the brethren in the North, South and abroad and led them to acquire national pride and confidence. If the minds of all the compatriots are united as one, the great unity of the whole nation will be achieved and the country reunified. It is in this sense, I think, that Rev. Mun Ik-hwan of South Korea said that our nation had been reunified now, the reunification was in the perfect tense.

It is also for genuine national concord and reunification that we have advanced proposals on national reunification through confederation, based on one nation, one state, two systems and two governments. Since there exist two different ideologies and systems in the North and South of our country, the confederation formula is the only way to achieve national harmony and reunification. In the light of the present situation prevailing in our country it is not right for either side to attempt to attain the reunification by conquering the other. Ideology and system should be chosen by the people themselves of their own accord, not by coercion from outsiders. If one side tried to impose its ideology and system on the other, it would be impossible to realize national reunification; it would rather aggravate confrontation within the nation and cause new national calamity. The ideological and institutional differences within the nation should be overcome gradually not by coercive methods but by strengthening national unity based on the common interests of the nation. Today the most essential interests of the nation lie in the nation's reunification free from any foreign domination and interference. In spite of the ideological and institutional differences within the nation, we, as a single people, can bring about reunification and work together for the common prosperity of the nation.

Whether they are in the North or South or abroad, whether they are workers, farmers, intellectuals, youths, students, politicians, businessmen, religious community members, soldiers, the Koreans must all unite and strive to achieve the reunification of the country, the common cause of the nation. Just as our people did in those days of building a new country, the compatriots of all strata in the North and South and abroad must join hands in the cause of national reunification; those who have strength should contribute their strength, those who have knowledge their knowledge and those who have money their money.

The workers, farmers and intellectuals are the major force of the nation. If they cooperate and unite, while maintaining their respective characteristics, they can form a mighty independent driving force of the nation and successfully carry out the cause of reunification. The workers and farmers should join hands with the intellectuals, while the intellectuals should cast in their lot with the workers and farmers, thereby fulfilling their role as the motive force in the struggle for the country's reunification. It is unfair to underestimate the role of the intellectuals or to take narrow-minded attitudes towards them. When founding the party, we defined the intellectuals, along with the workers and farmers, as one of its components. Our party's emblem consists of a hammer, a sickle and a pen. It symbolizes the workers, farmers, and intellectuals who compose our party. When we began to build a new society immediately after liberation, we did not keep out the intellectuals just because of the services they had rendered for Japanese imperialism. We believed in their patriotism and spirit of national independence and generously accepted them on our side. We regarded as the nation's treasure those intellectuals who were scattered in different parts of the country, and searched for them one by one. We positively encouraged them to play an important role in the building of a new country. Our intellectuals trusted and followed our party and have joined their lot with it.

They dedicated all their efforts and talents to the building of the new democratic Korea. They also fought courageously in the Fatherland Liberation War against U.S. imperialist aggression, and after the war they did their best also in the socialist revolution and construction.

Today the South Korean intellectuals, too, are fighting well for the reunification of the country. The young people and students of South Korea have ardent patriotism and strong spirit of independence against America. They are playing a central, leading role in the struggle for the independence and democratization of South Korean society and for national reunification. The South Korean youth and students who struggle heroically, dedicating their precious youth without hesitation to independence, democracy and national reunification are a pride of our nation.

Beside the workers, peasants and intellectuals, there are many people in South Korea, who have different backgrounds and live in different conditions. We must not neglect them. We must achieve national unity on the principle of welcoming all the people without hesitation except the traitors to the nation.

It is very important to have a correct understanding of religions and work properly with religious believers. People believe in a religion because they take their

sufferings and misfortunes in this world as predestined and yearn to find happiness in the next world. Therefore, we cannot say that they are bad. What is bad is the anti-popular politics that disappoints people about their reality, and the reactionary rulers who abuse religions as an instrument for paralysing the people's consciousness of independence and making the people obey their rule. Progressive religionists wish the people to love one another and live in harmony. Today South Korean religionists are opposed to the foreign invaders who keep our nation divided artificially and suppress the reunification champions at the point of the bayonet. We must highly appreciate the devoted strugg' of the South Korean religionists for national reunification and unite with them.

It is mortifying that in South Korea the young people, sons and daughters of the nation, serve in the "ROK Army" under the command of Americans as a tool for their neo-colonialist domination and for the implementation of their policy for the division of our nation. We must awaken the men and officers of the "ROK Army" to the anti-national and anti-popular nature of the imperialists and their minions so that they can stand firm by their own nation and people and cooperate with their parents and brothers in the struggle for independence, democracy and national reunification.

As I always say, reunification means patriotism and the division means treason. Koreans who desire national reunification and strive for it are patriots, whereas those who are opposed to reunification and seek division in league with foreign forces are traitors. By this criterion we must unite with all the people who support reunification and must advance with them in the same ranks. Say, one may have once been opposed to reunification and have committed crimes against the country and the nation. But if he repents of his mistake and takes part in the struggle for patriotism and reunification, we must start with a clean slate about his past and join hands with him.

There are many people who had led a dishonourable life in the eyes of the nation, but have broken with their past and taken the patriotic road of national unity and national reunification. Mr. Choe Tok-sin is one of them. As you all know, he had served as a "commander of the Army Corps" and a "foreign minister" in South Korea. While he was pursuing the road of pro-U.S., anti-communism at important posts in the military and political circles, he gradually began to feel disillusioned about the traitorous and anti-reunification acts of the ruling authorities, and took refuge in a foreign country with an aim of living an honest life for the nation.

While in exile he engaged in patriotic activities for bringing about independence and democracy in the South Korean society and reunifying the country. He had deeply realized which is the way truly for patriotism during many visits to the homeland. He was moved by the fact that our republic, which is independent, self-sufficient and self-reliant in defence, is displaying the pride and dignity of the Korean nation. He also sympathized with our consistent just policy of embracing and joining hands with all those who love the country and the nation, regardless of the difference in political view, idea and religion without asking their past, the policy of great national unity. He said he had found the paradise on earth in the homeland, the land of bliss which he, as a nationalist and Chondoist, had aspired to and sought all his life. With a determination to devote himself to the just cause for the country and the nation for the rest of his life, he applied for a permanent residence in the homeland. Though he had followed a road opposed to ours in the past, we positively supported his decision and agreed to join hands with him for the sake of great national unity and the reunification of the country since he was resolved to break with the past and make a fresh start for the country and the nation. After he was held in the embrace of the homeland, he worked devotedly to the last moment of his life as the chairman of the Central Committee of the Chondoist Chongu Party and the vice-chairman of the Committee for the Peaceful Reunification of the Fatherland for the prosperity and development of the country, for great national unity and for the country's reunification. He passed away, unable to see the day of national reunification which he had looked forward to. But in his last years he joined the ranks of the national reunification movement and went ahead together with his fellow countrymen. As a result, he came to enjoy immortality as a patriotic martyr who is held in affection by the people and helped the compatriots at home and abroad to realise the real meaning of national concord and great unity.

For the realisation of great national unity the compatriots of all social strata in the North, South and abroad must place the common national interests above all else and subordinate everything to the cause of national reunification, transcending the differences in idea, social system and religious belief. We must regard this as a fundamental principle in achieving great national unity and firmly adhere to this principle.

National community which has been formed and consolidated through a history of five thousand years is greater than the transient differences in the social system, ideal and ideology which came about owing to national division; the common national desire to achieve reunification as a homogeneous nation is incomparably more important than the interests of individual social classes and social strata.

Although the defence of the ideal and ideology of individual classes and strata and the realisation of their interests are important, even more important is to realise the common cause of the nation. Class and strata are part of the nation. Therefore, no class or no stratum can materialize its own interests apart from the common national interests. Only when there is a nation can there be classes, and only when the national interests are ensured can the interests of the classes be ensured.

Today when the independence of our nation is trampled upon by foreign forces, no class or no stratum should hamper the achievement of national reunification, the common cause of our nation, by putting its interests in the forefront, if it belongs to the Korean nation. There should be no practice of placing the class interests above the national interests or setting the struggle for satisfying the class demand against the struggle for national reunification, swayed by smaller interests and prejudices. Moreover, for the fellow countrymen to reject or repress each other on the strength of government authority because of the differences in political view, isms and assertions or for them to be hostile towards each other because of the differences in idea and social system—these are fundamentally contrary to the principle of great national unity jointly agreed upon between North and South and such acts are intolerable before the nation. Our people will never be able to achieve their reunification, if they reject and are hostile towards each other by putting the differences in the forefront, instead of uniting on the basis of the common ground as a single nation. If the great unity of the nation is to be achieved, contacts and visits should be widely encouraged among the fellow countrymen in the North, South and abroad and dialogue be promoted actively among them.

If the whole nation is to act in concert and pool strength for the common purpose, an atmosphere of understanding and confidence should be created within the nation. Because our country has been divided and the North and the South stand alienated from each other for a long time, some people misunderstand their fellow countrymen as their enemy, and some people hesitate to go hand in hand with the same felllow countrymen because of the lack of confidence, although they wish to see national unity. In order to remove such misunderstanding and distrust within the nation and realise national concord and unity, it is necessary to encourage free visits, contacts and talks.

What is important in realising free travel and contact and wide-ranging dialogue is to pull down the barrier of division and remove all political and legal obstacles. We have already made the proposal for removing the barrier of division and ensuring free travel and opening all doors between the North and the South and have been making untiring efforts for their realisation. The point in question is that the South Korean authorities should pull down the barrier of division and remove all obstacles that hamper free travel, contact and dialogue among the fellow countrymen in the North, South and abroad. Today the "National Security Law" of South Korea is a great obstacle to free travel, contact and dialogue between the North and the South. In South Korea those who have been to the North or who have discussed reunification in foreign lands with people from the North are punished by the "National Security Law." Rev. Mun Ik-hwan aged more than 70, a young girl student Yim Su-kyong and other visitors to the North and a large number of those working for reunification are currently imprisoned by this law. If this wicked law is left intact, there can be neither free travel and contact nor free dialogue between North and South. That is why the "National Security Law" must be abolished as soon as possible.

In order to achieve great national unity we must strengthen nationwide solidarity in the struggle for national reunification.

Great national unity cannot be achieved only by words. It can be achieved and consolidated in the course of developing joint actions by uniting minds and efforts in the struggle to reunify the country. All political parties, organisations and compatriots from all walks of life in the North, South and abroad must support each other and take concerted actions in the struggle for country's reunification.

The cardinal task here is to check and frustrate the scheme of the forces which are against reunification to keep the nation divided for ever and to provoke a new war. In order to isolate and weaken these forces and defeat their divisive moves, the compatriots in the North, South and abroad must develop an active joint struggle in various forms. Tens of thousands of U.S. troops and more than 1,000 nuclear weapons of various types deployed in South Korea are the root cause of tension in the Korean peninsula and the danger of nuclear war. We must make the U.S troops and nuclear weapons withdraw from South Korea as soon as possible and thus remove the danger of nuclear war that threatens the existence of our nation and provide a firm guarantee for peace in the Korean peninsula. All our compatriots in the North, South and abroad must launch a nationwide struggle to compel the U.S. troops and nuclear weapons to withdraw from South Korea and make the Korean peninsula a nuclear-free, peace zone.

In order to achieve great national unity, all the political parties, bodies, organisations and compatriots of all strata in the North, South and abroad that are struggling for the reunification of the country must ally themselves with one another organizationally.

Only when all our compatriots who share the patriotic cause of reunification are organised into an allied force, can solid national unity be achieved, and the unity of action and unanimity ensured.

For an organized unity of the whole nation, there must be an organisation that can ensure a voluntary association of our compatriots of all sections in the North, South and abroad. I believe that the Pan-Korean Alliance for National Reunification which was inaugurated in accordance with the decision of the pan-national rally last year can be such an organisation. The Pan-Korean Alliance for National Reunification was formed by the joint efforts of the patriotic bodies, organisations, and public figures of all strata in the North, South and abroad that aspire to the independent and peaceful reunification of the country. It is a patriotic organisation for the reunification movement, whose mission it is to reunify the country on the three principles of independence,

peaceful reunification and great national unity, and which represents the common will of the Koreans in the North, South and overseas. It has a heavy duty and responsibility to achieve great national unity and hasten the reunification of the country. It will have to work hard, conducting various activities, to expand and strengthen its ranks steadily among our compatriots and to accelerate national reunification. Many obstacles and difficulties still lie in the way of reunifying the country, but we are confidently looking forward to the bright future of national reunification.

Our nation's trend towards reunification is mounting high as never before. Our compatriots in the North, South and abroad are working hard with a firm determination to reunify the country without fail in the 1990s. Today nobody can break our people's will to reunify their country, and no force can ever check our nation's strong trend towards national reunification. Through the united efforts of the whole nation, our people will overcome the obstacles and difficulties in their way to national reunification and reunify their country, come what may.

When the country is reunified, our nation will be a dignified and strong nation, and our country will emerge on the world arena as an independent and sovereign country with more than seventy million people, a brilliant national culture and a powerful economy. Our nation is industrious and resourceful, and our country is a beautiful land of three thousand ri which is good to live in. When the whole nation is united as one, and when the country is reunified, we shall fear or envy nothing. Our people will proudly display the resourcefulness and greatness of the Korean nation, and nobody will dare to encroach upon our sovereignty. If the whole nation join efforts and talents and develop the economy and culture after the country's reunification, our country will be more prosperous and civilized, and make a more effective contribution to the common cause of the people in Asia and the rest of the world for peace and prosperity.

For the Korean people to devote themselves to national reunification today is most honourable and worthwhile. Those who have contributed to the noble cause of national reunification will be held in love and respect by the nation and will be highly appreciated by the reunified country.

I believe that you, comrades, who are on the forefront of the struggle for national reunification, will carry out creditably the honourable duty entrusted to you by the country and the nation.

NODONG SINMUN Publishes Text of Talk

SK0508060791 Pyongyang KCNA in English
0524 GMT 5 Aug 91

["'Let Us Achieve Great Unity of Our Nation,' Work of President Kim Il-song, Published"—KCNA headline]

[Text] Pyongyang August 5 (KCNA)—"Let Us Achieve Great Unity of Our Nation," a talk of the great leader President Kim Il-song to leading officials of the Committee for the Peaceful Reunification of the Fatherland and members of the North side's Headquarters of the Pan-Korean Alliance for National Reunification (Pomminnyon) on August 1, 1991 has been published.

NODONG SINMUN today frontpages the full text of the talk.

In his talk President Kim Il-song elaborated on the important tasks for achieving a great unity of the nation and accelerating national reunification.

He emphasized that the question of reunification of our country is a question of reconnecting the artificially severed blood vessel of the nation and achieving national reconciliation and a question of realising the independence of the nation throughout the country.

He stressed that the reunification of our country should be realised independently in a peaceful way and, to this end, the great unity of the whole nation be achieved. The great unity of the nation is a basic prerequisite to the independent and peaceful reunification of the country and constitutes its essential content, he said, and went on:

The main point in reunifying the country is to achieve genuine harmony and unity of the whole nation, not the matter of procedure or modalities.

The Korean nation, whether they live in the North, the South or overseas and whether they are workers, peasants, intellectuals, students, politicians, businessmen, religionist or soldiers, should all unite and struggle to realise national reunification, the common cause of the nation.

In order to realise the great unity of the nation, the compatriots of all strata in the North, the South and overseas should put the common interests of the nation above all others and make everything serve the cause of national reunification, transcending differences in ideology, system and religious belief.

If the great unity of the nation is to be achieved, frequent contacts and travels should be made and dialogue be actively developed between compatriots in the North, the South and overseas and nationwide solidarity be strengthened in the struggle for national reunification. He said that for the great unity of the nation there must be an umbrella organization of all the political parties, public organisations and Koreans of all walks of life in the North, the South and overseas fighting for national reunification.

When the country is reunified, our nation will be a dignified and powerful nation and our country will emerge in the international arena a sovereign and independent state with a population of over 70 million, brilliant national culture and mighty economy, he stressed.

South Chondaehyop Delegate Arrives in Pyongyang

SK0508080291 Pyongyang KCNA in English 0738 GMT 5 Aug 91

[Text] Pyongyang August 5 (KCNA)—Pak Song-hui, delegate of the "National Council of Student Representatives" (Chondaehyop) of South Korea, arrived in Pyongyang today by air.

Pak Song-hui, a fourth year student of Kyonghui University in Seoul, together with a student Song Yong-song of Konkuk University, participated in a meeting for preparing the second pan-national rally and the first working-level talks for a success of the "grand reunification festival of students in the North, the South and overseas for an agreement on reunification proposals, peace in the country and great national unity" (grand reunification festival of students for short) held in Berlin as delegate of "Chondaehyop".

At the airport thousands of students and citizens warmly welcomed the delegate of "Chondaehyop" who came here today in the wake of woman student Yim Su-kyong who had visited Pyongyang to participate in the 13th world festival of youth and students as delegate of "Chondaehyop", for the first time in the history of division.

Yo Yon-ku, vice-chairman of the North side's headquarters of the Pan-Korean Alliance for National Reunification [Pominnyon], Choe Hyon-tok, chairman of the Korean Students Committee, and other cadres greeted the delegate of "Chondaehyop" with warm feelings of kinship at the airport.

A large number of citizens and students enthusiastically welcomed the delegate of "Chondaehyop", waving bunches of flowers and their hands and shouting "national reunification" and "welcome 'Chondaehyop'" along the route of scores of kilometres on which the car carrying the delegate drove past and on the verandas of tall apartment houses.

N-S Working-Level Contact Slated for 10 Aug

SK0508083691 Pyongyang Korean Central BroadcastingNetwork in Korean 0800 GMT 5 Aug 91

[Text] On the morning of 5 August at 1000, the first working-level contact between the representatives of both sides for the North-South high-level talks was held at the South side of Panmunjom.

In the contact, practical issues regarding preparations for the fourth North-South high-level talks were discussed. It was decided that the next working-level contact between the representatives of both sides will be held on 10 August at 1000 at our side of Panmunjom, Tongilgak.

Pyongyang Media Silent on Judoist's Defection

OW0508061891 Tokyo KYODO in English 0607 GMT 5 Aug 91

[Text] Pyongyang, Aug. 5 KYODO—The Pyongyang mass media has made no mention of the defection of North Korean Judoist Li Chang Soo who arrived in Seoul on Sunday to seek asylum in South Korea.

Neither Monday's edition of the workers' party of Korea house organ RODONG SINMUN nor RADIO PYONGYANG's morning broadcast touched on the matter.

The 24-year-old Li decided to defect to South Korea after competing in the world championships in Barcelona late last month, according to South Korean sources.

Daily on South's Attempt To Suppress Chonminnyon

SK0308050891 Pyongyang KCNA in English 0437 GMT 3 Aug 91

[Text] Pyongyang August 3 (KCNA)—The No Tae-u group are now hell bent on suppression of the patriotic pro-reunification democratic forces of South Korea. In an attempt to suppress Chonminnyon [National Democratic Alliance of Korea], they allege that Kim Ki-sol's will was "ghostwritten" and Chonminnyon is "involved [no closing quotation mark as received] in the overseas dispatch of student delegates of Chondaehyop [National Council of University Student Representatives]. They brand Chondaehyop as an "organisation benefiting the enemy" and "organisation seeking to overthrow the system" which is "wirepulled" and "financially supported" by some people.

NODONG SINMUN today denounces this campaign as a vicious move to justify their beastly anti-communist fascist acts to stifle the patriotic forces of South Korea.

The news analyst says:

As for the "case of the ghostwriting of the will" of Kim Ki-sol over which the puppets are making quite a noise, it is a sheer fabrication.

A member of Japan's Association of Identification said Kim Ki-sol wrote his will by himself, adding that he was willing to testify at "court" in South Korea.

Although the puppets take issue with Chondaehyop, all the activities of the organisation are based on its own faith and judgement.

The puppets resort to frantic suppression, spreading their lies as if they are true. This is a desperate effort of those who feel ill at ease in the worsening crisis of rule.

The No Tae-u group scheme to destroy and stifle the progressive and democratic organisations and patriotic forces of South Korea even by such intrigues and thus

foil the forthcoming joint reunification festival of the nation promoted by them and lay a foundation for their long-term office.

This will only precipitate their own destruction.

Daily on South 'Schemings' Against Pan-National

SK0408084491 Pyongyang KCNA in English 0818 GMT 4 Aug 91

[Text] Pyongyang August 4 (KCNA)—If the South Korean authorities truly want to celebrate the August 15 as a reunification festival common to the nation, they should not hold a function independent of the Pomminnyon [Pan-Korean Alliance for Reunification]-sponsored pan-national rally [PNR] but take a drastic measure to join in the '91 PNR and cooperate for its success, says NODONG SINMUN today in a commentary headlined "Schemings To Obstruct the '91 PNR Should Be Halted at Once".

The stand and attitude toward the '91 PNR to be brilliantly recorded in the history of the reunification movement of our nation will be a precise yardstick discerning between reunification and anti-reunification, the news analyst says, and continues:

The "Pan-Korean Alliance for National Reunification" (Pomminnyon) is a nation-wide reunification movement organisation grouping patriotic-minded figures of various circles conscious of the noble mission to wipe off the disgrace of the divided country and achieve reunification in the 90s.

The projected '91 PNR is not a gathering to attack and hurl muds at someone, but a grand reunification festival to jointly confirm the will to achieve reunification in the 90s, decide on the way of reunification common to the nation and bring in a turning point in the national reconciliation and unity.

The South Korean authorities, however, far from responding to and joining in our efforts and the ever mounting zeal of the fellow countrymen for peace and reunification of the country, committed without hesitation such a shameless act as putting brake on and laying obstacles in the way of the preparations for the rally, while intensifying from the beginning the suppression of the members of the preparatory committee for the formation of the South side's headquarters of "Pomminnyon", the sponsor of the rally.

The South Korean rulers obstrusively opposed the Seoul pan-national rally and grand reunification festival of students to the "grand unification march" under the sponsorship of the authorities. This is a trick aimed to make the already prepared rally abortive just as they held the burlesque of "August 15 grand exchanges of the nation" and obstructed the Panmunjom pan-national rally last year.

SKNDF on South's 'Suppression' of Chondaehyop

SK0408083691 Pyongyang KCNA in English 0812 GMT 4 Aug 91

[Text] Pyongyang August 4 (KCNA)—The No Tae-u ruling group should unconditionally recognize the "National Council of Student Representatives" [Chondaehyop], the genuine organization of one million students, and stop at once the suppression of it and release immediately Kim Chong-sik and other detained patriotic students, declares a spokesman of the South Korean National Democratic Front [SKNDF] in its statement issued on August 2 in denunciation of the authorities' suppression of "Chondaehyop".

Noting that the authorities arrested Chairman Kim Chong-sik and ten other members of the organization and are searching its 80-odd hardcore members, the statement bitterly condemns this as a heinous political terrorism against the students movement and a grave challenge to the democratic, pro-reunification forces.

What is more intolerable, the statement goes on, is the fact that the No ruling group is suppressing "Chondaehyop", talking about "instruction", "manipulation" and the like.

As "Chondaehyop" proudly declared itself and all the people recognize, it is an independent organization representing the one million students which has devoted itself to the struggle for independence, democracy and reunification under its banner since its birth and is the true locomotive of the students movement.

The No ruling quarters' vicious suppression of the patriotic youth and students movement is an expression of their sinister intention to root out at an early stage all the elements lying in the way for the long-term office of the pro-American dictatorial "regime".

This is, at the same time, a fascist offensive to frustrate the upcoming 91 pan-national rally and the grand festival for reunification of students in the North, South and overseas.

Seoul Daily Debunks South Elections

SK0408030191 Pyongyang KCNA in English 2149 GMT 3 Aug 91

["South Korean Newspaper Criticises Plutocratic, Government-Controlled 'Elections'"—KCNA headline]

[Text] Pyongyang August 3 (KCNA)—The South Korean newspaper TONG-A ILBO said all "elections" in South Korea are "plutocratic, government-controlled elections" to satisfy the ambition of the ruling classes for power.

The "election of large city and provincial councils" held last June was also a "corrupt election controlled by money and power," the paper said. It noted that the ruling classes lavished money to earn votes, regarding

the "election" as a means of building a springboard for the competition for next-term supreme power.

No wonder people brand the "election" as "money-backed election" and "alms-giving election" and call for nullifying the "election", the paper stressed.

ROK Paper Upset Over U.S. Moving Expenses

SK0408031791 Pyongyang KCNA in English
2154 GMT 3 Aug 91

["South Korean Paper Accuses Authorities of Bearing Expenses for Transferring U.S. Military Base"—KCNA headline]

[Text] Pyongyang August 3 (KCNA)—The South Korean KYONGHYANG DAILY NEWS accused the South Korean authorities of deciding to bear the cost of the proposed transfer of the U.S. military base in Yongsan, Seoul, to Osan, Kyonggi Province.

"It is hard to understand why we have to bear the expenses for the transfer expected to amount to 1,500 billion or 2,000 billion won," the paper said, and voiced opposition to the pro-U.S. flunkeyist act of the authorities.

Not content with paying the expenses for the maintenance of the U.S. military bases with blood taxes of people , the South Korean ruling group are going to bear even the cost of the base transfer, thus calling forth accusations from all quarters.

Daily on South's National Police Reorganization

SK0508104791 Pyongyang KCNA in English
1012 GMT 5 Aug 91

[Text] Pyongyang August 5 (KCNA)—The No Tae-u ruling group recently upgraded the "National Police Headquarters" to "National Police Agency." NODONG SINMUN today brands this as a political burlesque staged to mock the people calling for "political neutrality of police" and to strengthen the repressive machine.

The news analyst says:

The No Tae-u group railroaded a "bill on police" through "extraordinary parliament" last May, claiming that it would institute "National Police Agency" and reorganise the police structure. But, the bill contained no word about "neutrality of police."

The group, upgrading the "National Police Headquarters" to "National Police Agency", extensively enlarged the repressive machine and police forces.

The "Seoul district police office" has seven bureaux and 20 sections whereas it had five departments and 14 sections.

The "National Police Agency" deserves no mentioning. The director of the puppet Seoul metropolitan police bureau, the mastermind of the fatal police beating of students Kang Kyong-tae and Kim Kwi-chong and the case of police officer's gun firing at guiltless people, was appointed the "first director of the National Police Agency."

The No Tae-u group seeks to strengthen the fascist police, achieve ""government' security" for the rest of its term of office and lay a foundation for long-term office.

The burlesque will no doubt be followed by an extensive expansion and strengthening of the police force and a sanguinary suppression of patriotic pro-reunification democratic organisations and their members including students advocating independence, democracy and reunification.

Seoul Daily Says Rice Duty Equals Output Drop

SK0408030091 Pyongyang KCNA in English
2151 GMT 3 Aug 91

[Text] Pyongyang August 3 (KCNA)—If the puppet authorities, after opening the rice market, impose duties on imported rice at the rate demanded by the United States on a stage-by-stage basis, the rice output in South Korea would decrease 10.8 percent in the first year and the farmers' income would diminish dramatically, said the data analysed by the Rural Economy Institute of South Korea in "estimation of consequences of rice market opening" as quoted by the South Korean newspaper HANGYORE SINMUN.

The drop of rice output caused by the market opening would have an impact on allied sectors such as fertilizers, agricultural chemicals and farm machines, bringing the production cuts in those sectors to 530 billion won in the tenth year and the area of idle paddy fields to 470,000 hectares in ten years.

Pyongyang Prayer Service for South Detainees

SK0508105191 Pyongyang KCNA in English
1017 GMT 5 Aug 91

[Text] Pyongyang August 5 (KCNA)—A divine service praying for the release of the Rev. Mun Ik-hwan, student Yim Su-kyong and other visitors to the North was held at the Pyongyang Pongsu Church on August 4.

In his preach Rev. Kim Un-pong, permanent member of the Central Committee of the Korean Christians Federation, said that the South Korean rulers threw behind the bars the Rev. Mun Ik-hwan, student Yim Su-kyong, Father Mun Kyu-hyon and all other patriots who visited the North with their desire for reunification as soon as they went back to South Korea, and have given them unbearable pains.

All the visitors to the North must be set free at once and all their righteous activities for independence, democracy and reunification be legalized, he pointed out.

He called for praying day and night for the immediate release of all patriots and hot-blooded students including Revs. Hong Kun-su, Cho Yong-sul and Yi Hae-hak and students Im Chong-sok, Song Kap-sok, Kim Chong-sik and Chon Mun-hwan who in chains of Satan are suffering in prison for the reason of courageously fighting for independence, democracy and reunification.

South People Praise Kim Il-song, Kim Chong-il

SK0308123791 Pyongyang KCNA in English 1013 GMT 3 Aug 91

[Text] Pyongyang August 3 (KCNA)—Ever louder voices praising the greatness of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il, boundlessly longing for the northern half of the country where a socialist system of our style has been established, are ringing out from among the South Korean people these days.

A Kim specializing in architecture in Pusan said:

A peculiar man-centered socialism envied by the world's people has been established in the North, I think, because President Kim Il-song and Comrade Kim Chong-il have made the people genuine masters of the society and made everything in society serve the people.

Well aware of this fact, the people in the South say reunification must be achieved at an early date so that they may live under their government.

A man surnamed Yi who runs a trading company in Seoul said he felt national pride and honor in having President Kim Il-song and Comrade Kim Chong-il whenever he went abroad on business. This is because the North, under their wise leadership, is shedding rays as a people-first socialist society, as a socialist society in which the chuche idea is in full bloom.

A Professor Choe of Seoul National University said the fellow countrymen in the South are now able to look at the man-centered socialist society established in the North as a beacon of hope.

Dailies View U.S. Defense Secretary's Statement

SK0308052691 Pyongyang KCNA in English 0501 GMT 3 Aug 91

[Text] Pyongyang August 3 (KCNA)—NODONG SINMUN in a commentary today brands the U.S. "long-term military strategy" in the Asia-Pacific region as a strategy of aggression and war designed, to all intents and purposes, to occupy South Korea for an indefinite period and, with it as a stronghold, to overpower our Republic and threaten and contain Asian countries with strength.

U.S. Defense Secretary Cheney, outlining the U.S. "long-term military strategy" some time ago, blared that there cannot be complete withdrawal of the U.S. forces from the Asia-Pacific region and it is because of its interests, not for the sake of charity that the United States commits itself to defending the "security of friendly nations" in this region. He said it is the U.S. strategy to "continue with the forward deployment" of its forces in Japan and South Korea and make the South Korean authorities and Japan bear a greater share of the cost for their upkeep, thereby defending its interests at a less cost.

Cheney's argument that if the U.S. forces are withdrawn from this region at a time, a vacuum of strength and unstable security situation would be created and military rivalry would ensue is a pretext and sophism meant to keep the U.S. forces and nuclear weapons deployed for a long time, the news analyst says, and goes on:

As Cheney admitted, the United States intends to make the puppet authorities bear all the cost for the maintenance of its forces in South Korea either in peacetime or wartime and gratify its aggressive aim, strategic interests in Korea without difficulty.

Though they say the United States wants "peace" on the Korean peninsula, it is a gesture to mislead public opinion at home and abroad and conceal their aggressive nature, and their "U.S. troop reduction plan" is a war plan intended to reinforce their armed forces and make haste with northward invasion under the plausible sign of "military cuts."

A commentary of MINJU CHOSON stresses that the U.S. imperialists must look squarely at the trend of the times and pull their troops and nuclear weapons out of South Korea and the Asia-Pacific region at an early date.

U.S. Supports Direct North-South Dialogue

SK0408000591 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 3 Aug 91

[Text] The U.S. State Department on 31 July issued a statement clarifying the U.S. Government position on the DPRK Foreign Ministry statement on denuclearization of the Korean peninsula. The statement, in connection with the recent proposal for a nuclear-free zone put forward by the DPRK, noted that it is proper that the North and the South should directly discuss with each other the proposals for the alleviation of tension on the Korean peninsula and for confidence building.

U.S. Described as Biggest Weapons Dealer

SK0308093991 Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 24 Jul 91

[Text] Even while they are loudly babbling about peace and arms reduction, the U.S. imperialists are manufacturing and selling on a massive scale weapons of murder and aggravating tension in various places. The U.S. imperialists have handed weapons of mass murder over to the puppet South Korean forces, thus threatening peace and further increasing the danger of war on the Korean peninsula and in Asia. They have even supplied

the Israeli Zionists with weapons of murder, thus aggravating the situation in the Middle East.

Nevertheless, using media that they control, the U.S. imperialists have found fault with other countries' weapons exports and took it upon themselves to spread false stories. This shameless attitude is a foolish attempt to conceal its dirty colors as a war merchant from the world.

The following information shows that the United States is the world's biggest weapons dealer.

During the 1980-84 period, the United States sold weapons amounting to $27,660,000,000, the largest sale in the world. This accounted for 39.7 percent of the world's total weapons exports. Also, the United States sold weapons amounting to $10.4 billion in 1986 and $11.55 billion in 1987. In 1988 and 1989, the United States sold weapons totaling $16.9 billion to Third World countries. Last year, the United States sold tanks, fighter planes, radar control equipment, missiles, and other weapons amounting to $30 billion.

The Middle East region has been the United States' biggest weapons market. During 1982-86, the United States sold $3.7 billion in weapons to Israel and more than $10 billion to other Middle East countries. During the Iran-Iraq war, the United States exported weapons amounting to $23.7 billion to these two countries. On 31 May the United States agreed to supply Israel with $700 million in weapons. In June it announced a large-scale plan to sell weapons to five Middle Eastern countries. This figures from this sale are estimated at $18-24 billion. The United States is said to be planning to sell $33 billion in weapons to the Middle Eastern countries next year.

U.S. Informed of Denuclearization Plan in China

SK0308045691 Pyongyang KCNA in English
0442 GMT 3 Aug 91

[Text] Pyongyang August 3 (KCNA)—Recalling that a statement of the DPRK Foreign Ministry envisages that the United States and the nuclear weapons states neighboring on the Korean peninsula shall legally guarantee the nuclear-free status as soon as the North and the South of Korea declare the Korean peninsula a nuclear-free zone through agreement, a KCNA [Korean Central News Agency] reporter asked an official concerned of the DPRK Foreign Ministry on August 2 about the channel through which this proposal was made to the United States.

The official answered:

The DPRK Embassy in Beijing on July 30 had a contact with the United States at councilior-level and transferred to the U.S. side the statement of the DPRK Foreign Ministry containing the new proposal for the denuclearization of the Korean peninsula.

At the contact our side outlined the main content of the statement and expressed the willingness of the DPRK Government to negotiate this matter with the U.S. Government, hoping that the U.S. Government would pay a serious attention to our new proposal for the establishment of a nuclear-free zone on the Korean peninsula.

U.S., South Military Exercises Reported

SK0308044991 Pyongyang KCNA in English
0431 GMT 3 Aug 91

[Text] Pyongyang August 3 (KCNA)—The U.S. Pacific Airforce command on August 1 staged criminal joint aerial war exercises in the sky above South Korea, according to military sources.

Provocative aerial surprise attack, joint ground strike, ground attack and sea attack support exercises simulating a northward invasion for long hours were staged that day in the skies above Tokjok Island, Chechon and Wonju. Mobilized in them were formations of F-15 fighter-bombers, pursuit assault planes, assault planes, transport planes and refueling tankers based in Japan proper and the Pacific region and more than 200 fighter-bombers, assault planes and transport planes belonging to the U.S. Airforce present in South Korea and the puppet airforce.

On July 31, the U.S. imperialists and the South Korean puppets brought special operation units to an area along the Military Demarcation Line [MDL] and ran riot in a joint "guerrilla" operation and air-dropping exercise by transport planes. They massively mobilized to the area along the MDL mechanized infantry units, helicopters, tanks and armoured vehicles on July 30 and 31 for ground attack exercise combined with a river-crossing attack exercise, supplies dropping exercise and tank-firing.

In another development, the South Korean puppets staged successive exercises in a real war atmosphere near the MDL to cope with "an event of contigency".

On August 1, a group of 105 mm guns massed in Chukhyon-ri, Paju County, opened an intensive fire at a spot of Kogok-ri in the same county, on the opposite bank of the river Imjin.

On the same day, four armed helicopters appeared in the sky over Osang-ri, Paju County, near the demilitarized zone of the MDL, and staged a feverish aerial warfare exercise flying toward Kanghwa Island along the MDL.

The warplanes mobilized in aerial war exercises in the sky over South Korea on August 1 totalled more than 570.

USSR Supports Korean Denuclearization Proposal

SK0308044591 Pyongyang KCNA in English
0426 GMT 3 Aug 91

[Text] Moscow August 1 (KCNA)—Vitaliy Churkin, a spokesman for the Soviet Foreign Ministry, speaking before newsmen here on August 1, manifested support of the Soviet Union to the DPRK Foreign Ministry statement on the denuclearization of the Korean peninsula, according to a TASS report.

He said the Soviet Union supports the initiative taken by the DPRK Government on July 30 and considers that this can be an object of debate between the parties concerned.

The Soviet Union, a nuclear weapon state, is ready to join other nuclear states in guaranteeing the status of nuclear-free zone once an agreement on turning the Korean peninsula into a nuclear-free zone is reached and declared, he stated.

Noting that nuclear safety on the Korean peninsula is a very urgent question because the military and political confrontation has not yet been removed and the obvious saturation of armed forces and weapons is observed there, he said to turn the Korean peninsula into a zone without mass destruction weapons will be helpful to removing mutual distrust between the two sides of Korea, making the situation in Korea healthy as a whole and strengthening the international order concerning nuclear weapons.

Vietnam Supports Denuclearization Proposal

SK0308044291 Pyongyang KCNA in English
0422 GMT 3 Aug 91

[Text] Pyongyang August 3 (KCNA)—Vietnam supports the proposal for the denuclearization of the Korean peninsula clarified in the July 30 statement of the Foreign Ministry of the Democratic People's Republic of Korea, said Ho The Lan, spokeswoman for the Ministry of Foreign Affairs of Vietnam at a press conference on August 1.

It will be beneficial to strengthening peace and security on the Korean peninsula and in northeast Asia as a whole, she stressed.

Chinese CPC Delegation Arrives in Pyongyang

SK0408082491 Pyongyang KCNA in English
0807 GMT 4 Aug 91

[Text] Pyongyang August 4 (KCNA)—A delegation of cadres of the Communist Party of China [CPC] headed by An Pingxeng, member of the Central Advisory Commission of the CPC, arrived here Saturday.

It was met at the airport by Kwon Min-chun, vice-director of a department of the Central Committee of the Workers' Party of Korea, and Dong Buming, councillor of the Chinese Embassy here.

Japan-Korea Friendship Boat Group Leaves

SK0308121791 Pyongyang KCNA in English
1041 GMT 3 Aug 91

[Text] Pyongyang August 3 (KCNA)—The "Japan-Korea Friendship Boat" visiting group led by Motofumi Makieda, representative member of the Japan committee for supporting reunification and chairman of the former General Council of trade Unions of Japan (Sohyo), left today for home by the ship Samjiyon after visiting our country.

It was seen off at a wharf by Vice-chairman of the Korean Society for Cultural Relations With Foreign Countries Yi Chol-sin.

During its stay in Korea the visiting group visited Mangyongdae and toured revoloutionary battle sites around Mt. Paektu.

Kim Il-song Sends Greetings to Jamaican Leader

SK0408085091 Pyongyang KCNA in English
0825 GMT 4 Aug 91

[Text] Pyongyang August 4 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea on August 3 sent a message of greetings to Prime Minister Michael Manley on the 29th anniversary of the independence of Jamaica.

Expressing the belief that the friendly relations between the two countries will further develop, President Kim Il-song heartily wished the Jamaican prime minister and people great success in their endeavours for the country's prosperity.

KCNA Review of 3 Aug Pyongyang Press

SK0308051891 Pyongyang KCNA in English
0446 GMT 3 Aug 91

[Press review]

[Text] Pyongyang August 3 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il- song received the delegation of the Physical Training Organisation of Iran and a report that the dear leader Comrade Kim Chong-il was presented with a gift by head of the delegation Hasan Ghafuri-fard, vice-president and chairman of the Physical Training Organisation of Iran.

Carried in papers is a message of greetings to President Kim Il-song of the Democratic People's Republic of Korea from Pierre Buyoya, chairman of the Central Committee of the Party of Union for National Progress of Burundi and president of the Republic of Burundi, on the occasion of the 38th anniversary of the victory of the Korean people in the Fatherland Liberation War.

Appearing in NODONG SINMUN is a report that "On the Chuche Idea" (Vol.2), a collection of works of President Kim Il-song, was brought out by the Workers'

Party of Korea Publishing House. The book contains full texts of or excerpts from twenty important works on the chuche idea from among the immortal classical works published by him from September 1977 to May 1990.

The paper prints a message of solidarity to the C.C. [Central Committee], the Workers' Party of Korea sent by the C.C., the People's National Congress of Guyana on the occasion of the month of solidarity with the Korean people.

Under the fixed title "Along Traces of Glory" the paper carries an article dealing with the boundless loving care shown by Comrade Kim Chong-il for the popular masses with noblest affection for them.

It is reported in the paper that the chairman of the Scientific and Technical Association of Tanzania made public a statement after studying Comrade Kim Chong-il's work "Our Socialism for the People Will Not Perish".

On the lapse of seven years since our party took a revolutionary step to massively and briskly conduct the August 3 mass consumption goods production movement (August 3, 1984), papers carry editorials and report about new innovations in the production of consumer goods.

"Economic Management System of Chuche Is Most Superior Socialist Economic Management System" is the title of a MINJU CHOSON article.

Appearing in papers are news that an agreement on cooperation in sports was signed in Pyongyang between the State Commission of Physical Culture and Sports of the DPRK and the Physical Training Organisation of Iran and an account of the sojourn here of the delegation of the organisation.

NODONG SINMUN reports that Korea won fine results at international radio-finding contests.

The paper informs the readers that the DPRK ambassador to Tunisia paid a farewell call on the general secretary of the Tunisian Communist Party.

The Ukrainian pupils visiting group of the USSR held a starting ceremony of a march to trace the course of the "1,000-ri journey for national liberation" at Mangyongdae, according to papers. The "1,000-ri journey for national liberation" is a significant course from Mangyongdae to Badaogou, northeast China, which was covered by President Kim Il-song in January 1925 at the age of thirteen with a firm pledge to take back the lost country at any cost.

A NODONG SINMUN commentary hits at the No Tae-u ruling group for suppressing the patriotic pro-reunification democratic forces after fabricating a case of "ghostwriting of the will" of Kim Ki-sol, chief of the social affairs department of Chonminnyon [National Democratic Alliance], who jumped into his death after setting himself ablaze in protest against the present "government". The reaction of the South Korean public circles to the faked case is seen in the paper.

MINJU CHOSON comments on the scheme of the No Tae-u fascist ruling group to bring back the core elements of the defunct dictator Chon Tu-hwan's "regime" to the political circles.

The U.S. imperialists and the South Korean puppets ceaselessly perpetrate military provocations in the area near the Military Demarcation Line, according to the press.

Commenting on the U.S."long-term military strategy" in Asia and the Pacific, the press brands it as one revealing the invariable aggressive design of the U.S. imperialists on this region.

Seen in the press are a report that the DPRK Foreign Ministry's statement proposing the denuclearisation of the Korean peninsula was distributed as official document S-22854 of the U.N. Security Council on August 1 and the reaction of the world public circles to our proposal.

Papers carry a statement of the Central Standing Committee of Chongnyon [General Association of Korean Residents in Japan] supporting the statement of the DPRK Foreign Ministry.

It is reported in papers that Comrade Jiang Zemin inspected units of the Chinese People's Liberation Army in Tianjin, Soviet-U.S. summit talks were held, Chinese scholars held a round-table talk on the peaceful reunification of the country, the Peruvian president published a proposal for regional disarmament, and the Federal Assembly of Yugoslavia called for halting all armed conflicts in the country.

NODONG SINMUN runs an article titled "Growing Danger of War on Korean peninsula."

South Korea

Seoul Said To Apply for UN Membership 5 Aug

OW0308100791 Tokyo KYODO in English 0856 GMT 3 Aug 91

[Text] Seoul, Aug. 3 (KYODO)—South Korea will formally apply for U.N. membership Monday, paving the way for simultaneous entry with the North into the world body, Seoul government officials said Saturday.

North Korea filed a formal application with the United Nations in early July.

The officials said the U.N. Security Council is likely to pass a recommendation for membership to the two Koreas as early as August 8, with a vote at a General Assembly session scheduled for September 17.

North Korea hopes its entry into the world body will help improve its relations with the United States and

promote negotiations with Japan for normalization of diplomatic ties, South Korean sources said.

They said Seoul is expected to mount diplomatic efforts to establish relations with China.

South Korea will also step up a campaign to press the North to give up its "southward advance" policy and to expand political and economic relations across the demilitarized zone dividing the Korean peninsula, the sources said.

North Korea has not backed down on its demand for the U.S. withdrawal from the South and will try to expand dialogue with South Korean political parties, opposition forces and students, they said.

South Korea has shown a positive response to a North Korean proposal for talks to turn the Korean peninsula into a nuclear-free zone, provided the North accepts international inspection of its nuclear facilities.

The sources said it will take time for both Koreas to improve bilateral ties and each side is expected to engage in propaganda campaigns for the time being.

In a related development, YONHAP news agency said in a report from New York that South Korea's annual share of the U.N. budget has been set at 10 million dollars, or 0.69 percent of the total budget, compared with 700,000 dollars or 0.05 percent for the North.

The agency said the shares by South and North Korea were decided by the contribution committee on the basis of each country's gross national product, economic conditions and foreign debt for the 1980- 1989 period.

Joint UN Budget Contributions Set

SK0308040891 Seoul YONHAP in English 0125 GMT 3 Aug 91

[Text] United Nations, Aug. 2 (YONHAP)—South Korea's annual share of the United Nations budget has been set at 10 million U.S. dollars by the U.N. General Assembly Committee on Contributions, and North Korea's share at 700,000 dollars.

In a nation-by-nation report to be submitted to the General Assembly on Sept. 17, the Contributions Committee said Friday that as South Korea ranked 20th in the world in terms of gross national product, economic conditions and foreign debt in 1980-89, its share of the regular budget was rated at 7 million dollars along with a minimum 3 million dollars to peacekeeping activities.

The contributions of North Korea, which is also expected to join the world body this fall, were rated at 500,000 dollars and 200,000 dollars, respectively. The standing committee is headed by Amjad Ali, a former Pakistani ambassador to the United States.

The General Assembly will act on the report in late November. If it is approved by more than half of the members attending, South Korea's share will be fixed at 0.69 percent of the U.N. budget and North Korea's at 0.05 percent a year for three years beginning next year.

During 1992-94, the United States is expected to contribute 25 percent of the U.N. budget, followed by Japan (12.45 percent), the Soviet Union (10.9 percent) and Germany (8.93 percent).

Among countries paying similar amounts to South Korea will be China and Iran (both 0.77 percent) and Denmark (0.65 percent).

Ministry on Submission of U.N. Entry Application

SK0508030991 Seoul YONHAP in English 0250 GMT 5 Aug 91

[Text] Seoul, Aug. 5 (OANA-YONHAP)—South Korea will submit its United Nations membership application to U.N. Secretary-General Javier Perez de Cuellar Monday afternoon in New York, the Foreign Ministry announced.

No Chang-hui, chief of South Korea's U.N. observer mission to the world body, will give the secretary-general the application and a declaration pledging to fulfill the obligations of the U.N. Charter.

The application will be forwarded to the 15-nation Security Council's committee on admission of new members. After receiving a report from the committee, the Security Council is expected to unanimously agree to draw up a resolution recommending that South Korea be welcomed as a member at a meeting Aug. 8

Membership will become final when the General Assembly passes a resolution on new memberships when it convenes Sept. 17.

North Korea submitted its application July 8, but Seoul's and Pyongyang's applications are most likely to be handled as a single item.

North Korea will be the 160th and South Korea the 161st nation to join the global body.

N-S Preliminary Contact Agrees To Cooperate

SK0508065491 Seoul KBS-1 Radio Network in Korean 0500 GMT 5 Aug 91

[Text] The North and the South sides held a working delegates' contact at the House of Peace in our side area of Panmunjom today to prepare for the fourth round of North-South high-level talks to be held in Pyongyang on 27 August. The two sides put forward their positions for the high-level talks and held negotiations.

In today's working delegates' contact—participated in by Song Han-ho, vice unification minister, and Yim Tong-won, director of the Diplomacy and Security Institute, from our side; and Paek Nam-chun, secretary of the Secretariat of the Committee for the Peaceful Reunification of the Fatherland, and Choe U-chin, roving ambassador of the Foreign Ministry, from the North Korean

side—the two sides decided to cooperate to bring forth tangible results at the fourth round of North-South talks in Pyongyang and to reach agreement by acceding to each other's terms as best as they can.

It also has been learned that now that the North Korean side has decided to enter the United Nations along with our side, acceding to our side's position regarding the UN entry issue—to which the North Korean side had previously attached a precondition—the South side expressed its position at today's contact that it can dispose of the written basic agreement on North and South Korea relations, including the issue of adopting a nonaggression declaration which the North Korean side has continued calling for, and the three traffic agreement—exchange of travel, communications, and trade—as a package deal in case the North Korean side shows a change in its attitude.

Our side also expressed its position regarding the denuclearization of the Korean peninsula, that is, it can discuss the issue in a more forward-looking manner through the forthcoming North-South high level talks.

It also has been learned that the working delegates of the two sides agreed to positively consider including in the itinerary Prime Minister Chong Won-sik's meeting with President Kim Il-song during the period of the Pyongyang talks.

The delegates of the two sides agreed to hold a second round of working delegates' contact on 10 August to continue negotiations based on the positions expressed at today's contact.

Seoul Considers Joint Denuclearization Offer

SK0408061591 Seoul YONHAP in English 0558 GMT 4 Aug 91

[Text] Seoul, Aug. 4 (YONHAP)—South Korea is reportedly considering offering a joint declaration for denuclearization of the Korean peninsula to North Korea, on condition that Pyongyang prove it will not develop nuclear capability, an informed government source said Sunday.

The Seoul government may propose simultaneous inspection by the International Atomic Energy Agency (IAEA) or on-site inspection of each other between South and North Korea, the official said.

The agreement between Seoul and Washington that South Korea will now initiate the negotiation on nuclear issues on the Korean peninsula signifies that eventually, South and North Korea can make the Korean peninsula a nuclear-free zone through bilateral agreement, the official said.

South Korea may convey its intention to North Korea that it will not own nuclear arms and propose adopting a joint declaration for denuclearization of the Korean peninsula between the two sides.

The offer, however, is based on the expectation that North Korea will completely scrap its idea to develop nuclear capability and open its nuclear-related materials and installations, including nuclear fuel reprocessing facilities, to the IAEA inspection, the official said.

South-North Discussion of Nuclear Issue Welcomed

SK0308135291 Seoul CHOSON ILBO in Korean 3 Aug 91 p 3

[Editorial: "Discussion of How To Curb Nuclear Proliferation Is Welcome"]

[Text] On 1 August the government made its stand and policy on the nuclear issue public for the first time. Over the past few years, international attention has been focused on whether North Korea was engaged in nuclear development, while North Korea has tried to keep it a secret by linking it to nuclear weapons under control of U.S. troops stationed in South Korea.

By nature the nuclear weapons possessed by U.S. forces stationed in Korea cannot be linked to the Nuclear Non-Proliferation Treaty, because the treaty is meant to distinguish the duty of the nuclear powers—such as the United States, the Soviet Union, and France—from that of other non-nuclear countries. Fortunately, North Korea, probably aware of this, proposed in a Foreign Ministry statement released on 30 July that the South and North agree on and declare the creation of a nuclear-free zone on the Korean peninsula before the end of 1992, without linking it to the nuclear weapons under the control of U.S. troops. The Foreign Ministry statement on 1 August that "the nuclear non-proliferation can possibly be discussed" between the South and North authorities can be regarded as an affirmative response to the North Korean side's proposal.

Of course, our government has made it clear that it will discuss the nuclear issue with the North only when the latter fully opens its nuclear facilities to an inspection by the International Atomic Energy Agency [IAEA]. Nevertheless, the problem does not seem as simple as that because everything will not go as smoothly as expected if North Korea puts facilities and materials for producing nuclear weapons off limits to inspectors or keeps them away from the list of items to be inspected. The IAEA can inspect only the facilities that have been reported by the host country after getting consent from the host country and has no authority to impose forced inspection on the host country.

North Korea has given the outside world enough evidence for it to be suspicious about its intent. Cases in point are the fact that North Korea has postponed signing the IAEA safeguards even after signing the Nuclear Non-Proliferation Treaty in 1985, something it was supposed to do shortly after the signing. It has not ruled out the possibility that it possesses nuclear weapons in response to the nuclear weapons owned by U.S. troops. It remains to be seen if North Korea will try

to use the nuclear issue as a trump card. This notwithstanding, the government's decision to discuss the nuclear issue with North Korea is welcome: First, it can circumvent North Korea's nuclear development; second, it can frustrate North Korea's attempt to use the nuclear issue as a trump card in initiating negotiations with the United States.

Frankly speaking, the government has refrained from making any positive remarks about the nuclear issue—known as "no-confirmation-no-denial" [NCND] policy—because of its respect for U.S. policy. At any rate, the military and political effectiveness of the nuclear weapons allegedly deployed in South Korea by U.S. troops, even if they do exist, has begun to fade, as noted in our editorials and as discussed by nuclear experts in and out of the U.S. Government.

Moreover, the United States is flexible in applying the so-called NCND policy to Europe, whereas Japan, which has adhered to its three-no nuclear policy, while being under U.S. nuclear umbrella, made it a rule that deployment of nuclear weapons on its territory should be discussed in advance. We can hardly wipe out the image that only we have been blindly obedient to the NCND policy.

If the South and North can genuinely declare a nuclear-free zone on the Korean peninsula and if the international community can verify it, U.S. nuclear weapons in the South will be no problem. What is the use for the deterrence when there is no threat? By the same token, U.S. troops stationed in Korea will leave if North Korea abandons its line of communizing the South through revolution and makes the Korean People's Army give up the so-called revolutionary ideology.

Prosecutors To Arrest Coed on Return From North

SK0508033191 Seoul THE KOREA HERALD in English 5 Aug 91 p 3

[Text] A student activist will be arrested immediately after she returns from an unauthorized trip to North Korea Aug. 13 via the truce village of Panmunjom, prosecutors said yesterday.

Chondaehyop [National Council of University Student Representatives], South Korea's largest student group, announced Friday night it was sending Pak Song-hui, a 22-year-old senior coed from Kyungui University in Seoul, to Pyongyang to take part in a "pan-national march" there Aug. 5-12 to dramatize the organizers' "aspirations" for Korean reunification.

Pak has been in Berlin since late June with another member of the radical student group, Song Yong-sung, also 22, to discuss preparations for the North Korea-initiated inter-Korean march with their North Korean peers.

They attended a preparatory meeting for the march, which is scheduled to start at Mt. Paektu on the border with China and end at the truce village of Panmunjom.

The prosecutors said they were also considering charging Song, a senior of public administration at Konguk University in Seoul, with contacting North Koreans, a violation of the National Security Law.

In a news conference, officials of Chondaehyop said Song would stay in Berlin to relay information between South and North Korea.

They said Pak will enter South Korea Aug. 13 through Panmunjom in the Demilitarized Zone (DMZ) dividing South and North Korea with the North Korean marchers and continue their walk to Mt. Halla on Korea's southermost island, Cheju.

The North and South Korean organizers also plan a rally in Seoul Aug. 14-15 to celebrate Liberation Day, Aug. 15.

Pak, who majors in musical composition, will be the second South Korean student to go there illegally.

In 1989, Yim Su-kyong traveled to Pyongyang via Berlin to take part in the world youth festival. She was arrested on her return through Panmunjom and is now serving a five-year jail term.

Firms Said To Send Passport-Holders North

SK0408033991 Seoul HANGUK ILBO in Korean 3 Aug 91 p 7

[Text] With the increasing possibility of North Korea's opening up to foreign countries, some of the ROK's large business conglomerates recently have been negotiating with North Korea on expanding direct trade by sending staff members employed in their overseas offices to Pyongyang.

A government official on 2 August said: We understand that some of our country's major business conglomerates recently have been sending their staff members who hold U.S. passports and are employed in their overseas offices to Pyongyang to conduct business negotiations for direct trade.

The official added: Until early this year, ROK businesses conducted trade negotiations with the North in third countries such as Beijing, Tokyo, and Hong Kong, but these days they often do that right in Pyongyang, which can be taken as proof that the North Korean authorities' attitude toward opening up to foreign countries is becoming more flexible.

In this connection, an official within business circles admitted that overseas office staff members visited the North and said: If direct North-South trade begins in full force, the companies that have secured a bridgehead in the North will definitely have an advantage.

The major business conglomerates, including Samsung Group, are reported to be pushing ahead with plans to

expand North-South trade, setting up a three-stage strategy: first, to diversify their direct trade channels and lay a foundation for investment by the end of this year; second, to push forward with dealings for processing goods in the North and securing a bridgehead for conducting business there beginning next year; and third, to realize joint venture industry by 1994 at the latest.

North-South contacts for business talks during the first half of this year total 31, which is a remarkable increase compared with 11 last year; and the shipment of goods to and from the North and South during the same period amounted to $86 million, 12.3 times that of last year.

Ship Unloads Rice in North, Leaves for China

SK0308074791 Seoul YONHAP in English 0715 GMT 3 Aug 91

[Text] Seoul, Aug. 3 (YONHAP)—The Grenadian-flag bulk carrier Condor left Najin port in the North Korean province of North Hamkyong on Friday after unloading 5,000 tons of South Korean rice, a government official said Saturday.

The vessel set sail for Shandong in China to load Chinese cement and will arrive at Kunsan on Aug. 12, he said.

The Condor, leased by the Samsun Shipping Co. of South Korea, left Mokpo port in South Cholla Province on July 27.

Cheonji Trading Co. of the South and Kumgansan international Trading Co. of the North agreed in March to exchange 100,000 tons of Southern rice for northern cement and coal, with the first swap being 5,000 tons of rice for 40,000 tons of coal.

It is the first non-governmental barter deal in the history of the two Koreas.

North Judoist Defects to South Through Europe

SK0408015191 Seoul YONHAP in English 0127 GMT 4 Aug 91

[Text] Seoul, Aug. 4 (YONHAP)—A North Korean defector arrived in Seoul on Sunday morning after breaking away from his judo team returning to Pyongyang from an international competition in Spain.

Li Chang-su, 24, escaped from his team on the night of Aug. 1, while heading back to Pyongyang through Europe by train.

The North Korean judo team, comprised of three players and five officials, was in Barcelona on July 25-28 for the 17th world judo championships.

Li has talked with a South Korean team member during the tournament that he wanted to defect to South Korea.

He contacted South Korean diplomatic offices in Europe and the Seoul government negotiated with government offices there to bring him to Seoul.

Li was a bronze medalist in the '89 international judo championships in Belgrade, Yugoslavia and a silver medalist in the '90 Beijing Asian Games in 71-kg division.

More on North Defector

SK0408060691 Seoul YONHAP in English 0535 GMT 4 Aug 91

[Text] Seoul, Aug. 4 (OANA-YONHAP)—Yi Chang-su, the North Korean judoist who arrived in Seoul Sunday after defecting through Europe , said it "feels good to be in a free country."

His father was unjustly sent to work at a cargo vehicle station in Pyongyang after refusing to give bribes demanded by his superiors, Yi said, and he was afraid that he, too, will be sent forcibly to work at coal mines after he returns to Pyongyang.

Yi, 24, was in Barcelona to attend the 17th world judo championships July 25-28 with two other judoists and five team officials. He made away from a train on the night of Aug. 1 while his team members were asleep, Yi said at a press conference after his arrival in Seoul in the morning.

The North Korean team was heading toward Moscow by train to return to Pyongyang. Yi said he first contacted consul general in Barcelona and again called South Korean Embassy in Paris.

"As I got older, and as I traveled again and again through foreign countries for competitions, I realized how oppressed North Korean society has been," Yi said when asked why he has defected.

He has been thinking of defecting from long before the Barcelona competition, Yi said.

"My parents and brothers will suffer from my action. They have probably been taken away by now, disappreared from Pyongyang. But I am sure that they are not unhappy since I have found freedom," he said.

"Even athletes cannot perform freely in North Korea. I want to improve my skills and have the chance to achieve my ambition as a judoist," he said, when asked what he wants to do in South Korea.

"Perhaps I can compete at the Olympics in Barcelona next year, " he said.

Asked about the financial plight of North Korea, Yi said rationed rice is mixed with about 40 percent of other grains. Food rationing is often delayed up to a month, he told reporters.

"People are discontent with their situations. When close people meet among themselves, they often express dissatisfaction, " he said.

Yi, who won the national merit for his tournament performances, said he was not given any special privileges. His father and his older brother were all dismissed from their jobs, and he himself was likely to be forced into retirement after returning to Pyongyang from Barcelona, he said.

Yi was a bronze medalist at the 1989 world judo championships and a silver medalist at the 1990 Beijing Asian Games. He was eliminated early in the Barcelona championships after losing in the second match.

"I felt a lot of difference between South and North Korean athletes during international competitions. We are severely scolded when we performed poorly at competitions. We envied South Korean athletes because they seemed to compete in free spirit," Yi said.

Students Propose Exchanges With North University

SK0408020391 Seoul THE KOREA TIMES in English 4 Aug 91 p 3

[Text] Students of Konguk University have proposed to Kim Il-song University authorities a working-level meeting with North Korean students on academic field research activities in the North.

They also proposed establishment of sisterhood relations between the Korean literature department of Kim Il-song University and Kyonghui University in Seoul Aug. 14-15.

The Pan-National Alliance for Unification of the Fatherland (Pomminnyon) is projecting a pan-national rally including a march from the north to the south in the ardent hope of promoting national reunification at the same time in the middle of August.

At a meeting with reporters yesterday, Sin Song-mok, 22, chairman of Kyonghui University's Korean literature society, called on Kim Il-song University to help a southern academic survey team conduct field research activities in the Pyonganpuk-to region from Sept. 27 through Oct. 4.

The academic research team, Sin said, would comprise students and professors.

Sin added that the student society lodged an application for the South-North contacts with the Unification Board July 19 this year.

Professor's Reply Letter to North To Be Sent

SK0308040991 Seoul YONHAP in English 0240 GMT 3 Aug 91

[Text] Seoul, Aug. 3 (YONHAP)—Kim Sang-hyop, president of the South Korean National Red Cross, sent a message concerning the proposed inter-Korean philosophers' meeting to Yi Song-ho, acting chairman of North Korea's Red Cross Society, by telephone on Friday.

Kim told Yi that a letter from So Kwang-hi, Seoul-side chairman of the preparatory committee for the Korean philosophers' meeting, to Kim Chang-won, director of the Institute of Philosophical Research of North Korea, would be delivered at the office of the Neutral Nations' Supervisory Commission in Panmunjom at 3 P.M. [0600 GMT] on Monday [5 August] by liaison officials.

The letter will be a reply to one that Kim Chang-won sent on July 30, in which Kim asked that the name of the Korean philosophers meeting be changed to the pan-national philosophers meeting.

Minister Views Trade Friction With U.S.

SK0508093091 Seoul YONHAP in English 0729 GMT 5 Aug 91

[Text] Seoul, Aug. 5 (YONHAP)—Trade relations between South Korea and the United States should develop so that the two countries can make joint inroads into Eastern Europe and China, Trade and Industry Minister Yi Pong-so said Monday.

Noting that it is natural for disputes to occur as trade between the two countries expands, Yi said the reason private-level trade troubles are regarded as government-level friction is the lack of understanding between the two countries.

He also said his government was doing its best to help conclude the Uruguay Round global trade negotiations.

Yi was addressing a luncheon for participants of a seminar organized by the Center for Strategy and International Studies (CSIS).

U.S. Agency Stops Assistance To Firms in Korea

SK0508033391 Seoul YONHAP in English 0146 GMT 5 Aug 91

[Text] Seoul, Aug. 5 (YONHAP)—A U.S. Government agency, accusing South Korea of oppressing union activities, has withdrawn financial support for American firms that invest in Korea, the Korea Trade Promotion Corp. (Kotra) said Monday.

The Overseas Private Investment Corp. (OPIC) notified the U.S. House Subcommittee on International Economic Policy and Trade early last month that it was halting all insurance, loan and other financial assistance to firms investing in Korea, Kotra officials said.

OPIC based its decision on Article 231 of the Foreign Assistance Act of 1961, which allows it to deny aid to countries that do not grant unions internationally accepted rights.

For countries not listed among the U.S. generalized system of preferences (GSP) such as Korea, OPIC can, after receiving an official petition, make an independent ruling after carrying out its own inspection and hearings and studying reports from the U.S. Departments of State and Labor.

Kotra officials said they believed the United Auto Workers (UAW) filed a petition with OPIC charging the Korean Government with oppressing union activities.

In a letter to House Subcommittee Chairman Sam Gejdenson, OPIC said it made its decision based on its own investigation and on the country reports on human rights practices for 1990 issued by the State Department.

OPIC, a self-sustaining government agency, assists American investors through insurance of investments against political risks and finances enterprises through direct loans or loan guaranties.

The corporation provided 48 million U.S. dollars in insurance in 1989 and 450,000 dollars in 1990 to companies investing in Korea.

"OPIC has not notified our government of its decision," one Kotra official said.

"U.S. investment in Korea has been slow recently, and the decision is unlikely to have immediate economic repercussions, but it is definitely going to stir up the already sensitive Seoul-Washington trade relations," he said.

Soviet Companies Sign Contracts Worth Millions

SK0208131691 Seoul YONHAP in English 0822 GMT 2 Aug 91

[Text] Seoul, Aug. 2 (YONHAP)—Soviet companies signed contracts worth 72 million U.S. dollars with South Korean firms in the first seven months to buy consumer goods using a 1.5 billion-dollar tied loan from Seoul, the Trade and Industry Ministry said Friday.

By late July, 16 Korean firms had reported export deals worth 292 million dollars and inked 17 contracts for 74 million dollars of goods, a ministry official said.

Samsung Co. expects to sell nine items for 61 million dollars, including cold-rolled steel sheet, pantyhose and knitwear. Lucky-Goldstar International Corp. hopes to clinch contracts worth 53 million dollars for 10 items such as pantyhose and knitwear and Hyundai Corp. is discussing deals worth 36 million dollars for 10 items, including storage batteries, he said.

Deficit With China in Jan-May Period Reported

SK0308041691 Seoul YONHAP in English 0250 GMT 3 Aug 91

[Text] Seoul, Aug. 3 (YONHAP)—South Korea piled up a trade deficit of 369 million U.S. dollars with China in January-May, up 79 percent from the same period last year, statistics compiled by the Trade and Industry Ministry said Saturday.

Korea had exports of 809 million dollars to China against imports of 1.178 billion dollars, the data showed. It had a 313 million-dollar trade surplus with China in 1988, a 267 million-dollar shortfall in 1989, and a 715 million-dollar deficit in 1990.

Imports of raw materials and low-priced products have constantly increased, but exports rose slower than expected due to China's high tariffs and the declining competitiveness of Korean goods on the international market, a source at the Ministry said.

Korea, South Africa and Israel all suffer from high tariffs in China, ranging from 5 percent to 30 percent above those applied to goods from other countries.

China To Discuss Signing of Economic Agreements

SK0208133891 Seoul YONHAP in English 1231 GMT 2 Aug 91

[Text] Seoul, Aug. 2 (YONHAP)—South Korea and China are expected to agree to accelerate bilateral economic cooperation when they have an official meeting in Beijing in mid-August to discuss signing of agreements on trade, investment guarantee and avoidance of double taxation, a government official said Friday.

Officials from Korea's trade representative office in Beijing and the China Chamber of International Commerce (CCOIC) are likely to coordinate their basic positions to conclude the three agreements by the end of the year, he said on condition of anonymity.

Opening a regular Seoul-Beijing air route, however, may be discussed after the U.N. General Assembly in September. The two nations, which lack diplomatic ties, discussed opening their territorial airspace to each other in previous two meetings held unofficially.

"We have proposed to China to hold a meeting in August to conclude the agreements. China is certain to notify specific schedules for the meeting sooner or later," he said.

He said an agreement on avoidance of double taxation was difficult to be signed before normalization of Seoul-Beijing relations since it needs approval of the National Assembly.

"It is our official position to sign the other two agreements as soon as possible," he said.

Japan Proposes Talks With DPRK in Beijing

SK0308101191 Seoul YONHAP in English 0937 GMT 3 Aug 91

[Text] Tokyo, Aug. 3 (YONHAP)—Japan proposed on Saturday to North Korea to hold the fourth round of talks on normalization of Tokyo-Pyongyang relations in Beijing Aug. 30-31, a Japanese Foreign Ministry official said.

He said the Japanese proposal was made in line with North Korea's request that the talks be held after the inter-Korean prime ministers' talks in Pyongyang Aug.

27-30. In late July, Japan and North Korea agreed to resume the stalled talks in late August.

Japan has set aside Sept. 1 in case the talks were delayed.

The Tokyo-Pyongyang talks has been suspended since May when North Korea refused to provide information about Yaeko Taguchi, 36, who taught Japanese to Kim Hyon-hui, a North Korean saboteur reponsible for the 1987 bombing of a Korean airliner over the seas off Myanmar.

DLP Attempts To Defuse Intraparty Feud

SK0408015791 Seoul THE KOREA TIMES in English 4 Aug 91 p 4

[From "Press Pocket" column]

[Text] Ruling Democratic Liberal Party members belonging to the "minjonggye [Former Democratic Justice Party]" faction are bent on defusing the intra-party feud ignited by Kim Yong-sam's remark of his readiness to accept a free and early contest for the party's presidential nomination.

In a reversal of their earlier stance against the rival "minjonggye" and "konghwagye [New Democratic Republican Party]" factions, the factional members led by executive chairman Kim seemed to be afraid of giving the people the impression that they are too obsessed with the presidency especially at this time when the nation faces the historical moment of entering the United Nations.

One of Kim's close confidants Kang In-sop said, "To tell the truth, the executive chairman's remark coincides with the President's intent which is to stay neutral in the course of selecting our candidate."

Kim Yong-sam had said the prerequisite for the open competition should be that the President remain neutral without favoring a certain person as the presidential contender.

Kang added, "Politics is such that progress is made in the course of exchanging views briskly with each other and coordinating them. In this vein, the recent political controversy should be understood as a process of extracting a party decision in a democratic manner."

Kim's other aides tried to ascribe the dispute to the other factions, saying the present case was caused by the frequent golf meetings.

Cambodia

Report on Demonstrations in Battambang Rejected

BK0308120291 Phnom Penh SPK in English 1103 GMT 3 Aug 91

[Text] Phnom Penh SPK August 3—According to the UPI-quoted Khmer Rouge radio and published by the NATION on August 2, 1991, thousands of Cambodians staged demonstrations against the government in the provincial town of Battambang and several other cities in Cambodia.

Kampuchea News Agency (SPK) is authorized to categorically reject this groundless information and make clear to public opinion at home and abroad that it was cooked up with treacherous attempt to divert the public opinion from reality in Cambodia, while the entire Cambodian people are actively working for the national construction and defence.

Opposition Blames Truce Violations on Phnom Penh

BK0308070591 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 2 Aug 91

[Station commentary: "The foul trick of the satiated monkey who smeared the leftover food on the goat's mouth"]

[Text] After the Supreme National Council [SNC] meeting in the Thai city of Phatthaya and the informal SNC conclave in Beijing, the Cambodian people as well as the peace- and justice-loving international public have been ardently optimistic and hopeful that peace will be restored to a country utterly destroyed by over two decades of war. In Phatthaya and Beijing, the two contending Cambodian parties—the State of Cambodia Government and the National Government of Cambodia— unanimously agreed to continue implementing the voluntary cease-fire without limit and to cease receiving foreign military aid to pave the way toward peace and national reconciliation.

Nevertheless, it is extremely regrettable that the other side's activities have not conformed to its diplomacy. Although the factions' representatives, in Beijing and Phatthaya, have signed the final communique accepting the voluntary cease-fire, they continue to ignore it by infiltrating the liberated zones under the control of the State of Cambodia. Taking advantage of the opportunity in which the State of Cambodia's Armed Forces sincerely respect the truce by halting military operations and confining themselves to the defense of their positions and footholds, the other side has arrogantly committed violations in the lowest bandit-like manner.

As a matter of fact, 450 Polpotist soldiers on 27 July broke into the temple of (Prasat Pheak) southeast of Svay Chek in Sisophon District, Battambang Province and took a naga statue and five bronze oxen. However, they were taught an appropriate lesson and forced to beat a hasty and shameful retreat by the CPAF [Cambodian People's Armed Forces] combatants stationed there. On the same day, the Polpotist gang infiltrated an area about 12 km east of Svay Chek and plundered six oxen from our people. On 28 July, Pol Pot and Son Sann troops infiltrated areas [words indistinct] and some 18 km northwest of Phnum Srok District, and the Son Sann and Moulinaka factions sent 600 troops to (Kruos Village) in Svay Chek District. Moreover, on 28 July, the Polpotist gang moved two 122D-30 cannons to an area 18 km northwest of Srei Snam District in Siem Reap-Oddar Meanchey Province, and some 30 Moulinaka soldiers conducted activities in an area 18 km north of Chikreng District and plundered our people's property in an area 10 km east of the same district.

These are only some brief accounts showing the lack of goodwill and the cunning nature of the other Cambodian side which has constantly committed all manner of violations encroaching upon the truce to pollute the atmosphere of mutual trust achieved in Phatthaya and Beijing. Worst of all, when it impinged upon the State of Cambodia side, the other side intensely and vociferously protested—like the satiated monkey who smeared the leftover food on the goat's mouth—that the State of Cambodia had committed violations against it.

Everyone knows that the State of Cambodia, at present, continues to control over 95 percent of the territory and population. The forces of the other Cambodian side, apart from their lairs on their sacred land and along the Cambodian-Thai border, have no established positions on the motherland at all. Their activities are bandit-like—they hide their face during the day like a scaly anteater but carry out activities here and there and ceaselessly move around at night like an owl. Their persistent violations against the State of Cambodia are evidence of their ill intention to stir up armed conflict, and then use this for the sole purpose of clamoring that the State of Cambodia is encroaching upon them. That being the case, the Cambodian people call on the other Cambodian side, which always boasts of its love for peace, to immediately do away with its criminal activities against the Cambodian people.

To create an atmosphere of mutual trust on the battlefield, the other side is urged to reconsider the proposal to set up a SNC military commission to cooperate with a UN coordinating mission in overseeing the voluntary truce. At a time when the SNC commission and UN mission have not yet performed their [?supervisory and control task], our people wish to call on the other side to stop violating the cease-fire in compliance with the proposal by Samdech Sihanouk. Should they continue to remain deaf and dumb to the call, to infiltrate the regions overrun by the State of Cambodia to plunder and massacre the people, to ship arms and ammunition into the country, they will certainly be punished by the Cambodian Armed Forces and people who wish to safeguard the voluntary cease-fire until a definite political solution in Cambodia is achieved.

SPK Notes Military Activities by Resistance

BK0308090691 Phnom Penh SPK in French 0403 GMT 3 Aug 91

[Text] Phnom Penh 3 Aug (SPK)—On 26 July troops of the opposing Cambodian factions fired many shells on a sector near a government armed forces position in the 4th Military Region, some 10 km northeast of Samraong District, Siem Reap-Oddar Meanchey Province. This is according to a military source, who specified that:

The following day [27 July] four Sihanouk soldiers pounded Kon Kriek Village, 21 km northeast of Samraong District. Again in the 4th Military Region, government forces, during a clash that took place on 23 July in Chhuk, Khna, and Krasang areas, killed 24 enemy soldiers and seized three rifles, 109 120-mm shells, and 24 mines. Eight combatants of the government forces were killed and 17 others wounded.

On 27 July in Banteay Meanchey Province, Pol Pot and Son Sann soldiers fired 500 to 600 shells of 75-mm and 85-mm recoilless guns on an area between 12 and 14 km northeast of Svay Chek. The same day, Pol Pot soldiers razed two villages 12 km east of Svay Chek and one kilometer west of Phkoam while 450 others infiltrated into Prasat, Pheas, and Thmar Puok Communes and took away five art objects.

Still on 27 July, the enemy with three 122-mm, D-30, and 105-mm artillery pieces, gathered in a sector some 10 km northeast of Svay Chek.

On 29 July, the enemy fired some 10 82-mm shells on a spot some 20 km northwest of Bavel District. The same day the enemy fired between 70 and 100 shells from 75-mm recoilless guns on an area 14 km southwest of Treng, Battambang Province.

Construction of Dam in Kompong Speu To Resume

BK0508060191 Phnom Penh SPK in English 0457 GMT 5 Aug 91

[Text] Phnom Penh SPK August 5—A feasibility survey is being conducted for the construction of a hydro-electric power station in Kompong Speu Province, 50 km west of Phnom Penh.

Participants in a meeting held here recently by the Water Conservancy Department to review the construction of irrigation projects in Cambodia in the first half of the year canvassed a plan for the construction of the hydro-electric power station.

They said the construction has a double purpose: supplying more electricity to the city and irrigating about 70,000 ha [hectares] in the three provinces of Kompong Speu, Kandal and Takeo.

The hydro-electric power station was once put under construction in 1969, nine years after Cambodia started surveying for the project. It was then undertaken with funds given by the Mekong Committee.

The construction had been 20 percent through by 1970 but was halted since then due to war and virtually destroyed.

The meeting also heard a report presented by Suos Kong, head of the department, on the construction of irrigation projects in the country. He said that since early this year farmers throughout the country, in joint efforts with the authorities, have built or strengthened 117 dykes and 69 ditches.

Cambodia now has 2,838 dams and reservoirs of small and big sizes, 56 pumping stations and 2,175 machine pumps which can ensure water for 410,000 ha of rice in both the rainy and dry seasons, the report said.

Several friendly countries and 17 international humanitarian organistions in Cambodia have given money and materials for the construction of irrigation projects in the country, the reports added.

The meeting was closed after two days of sitting. It was attended by representatives from 13 agriculture services in provinces and cities across the country.

At the closing ceremony, So Khun, deputy minister of agriculture, called for the construction of more irrigation projects to boost rice cultivation in the country.

VOK: Cessation of Divisive Language Urged

BK0508102391 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 5 Aug 91

[Political commentary: "It is necessary to stop using the language to break up Cambodians for the purpose of serving the interest of the foreign-installed regime in Cambodia"]

[Text] Of late, the Vietnamese-installed regime's propaganda apparatus has employed arrogant language to show that the regime has the edge on the others with 90 percent of the Cambodian territory under its control. It has also belittled the Cambodian resistance, saying that the latter has not overrun even a single inch of land, and so on.

The propaganda has an adverse impact on the resistance movement and elevates the image of the Vietnamese-installed regime above the other parties. But when the fanfare only affects the Cambodian resistance, we think it is unimportant and that we should not respond because the regime has, at all times, used bombastic and provocative language—not the language of compromise—to split and break up the Cambodians. However, with the spirit of defending the Cambodians' just cause, we feel obliged to make a clarification of the move. We wish to point out that the 90 percent of Cambodian territory that the Heng Samrin regime has claimed to have overrun is a gift from the Vietnamese, but it is not given away free of charge. The war carried out by more than 200,000 Vietnamese troops for more than 10 years in Cambodia is designed to set up bases and authorities

with the aim of annexing the country. Vietnam's sacrifice of the lives of tens of thousands of its troops and spending of millions of dollars are for the purpose of installing the Heng Samrin regime to rule over more than 90 percent of the Cambodian territory. As such, the sacrifice and the spending by the Vietnamese are certainly not for serving the Cambodian interest but for ripping off the Cambodian advantage—no ifs, ands, or buts about it.

That being the case, we have clearly seen that the aim of the propaganda is to amass the maximum votes—when elections are held—for the regime installed by the Vietnamese. If the Vietnamese-installed regime won the elections, the entire Cambodian nation would be utterly defeated, and this would make the implementation of the Vietnamese policy in Cambodia a success. So this is the point that we are duty-bound to clarify for the time being, even though we think that clashes on the air with Mr. Hun Sen's faction at the time when all the parties are clearing the way for a reconciliation should be avoided.

We wish to point out to Mr. Hun Sen's faction that, with the struggle carried on by the Cambodians over the past 10 years, we have never put the group down as our personal enemy, rain or shine. Nonetheless, the adversaries that we have opposed—they are also the common enemy of the entire Cambodian nation—are the Vietnamese aggressors and cadres of the Vietnamese-installed regime, which is Vietnam's proxy and machine of aggression and currently elevated in the limelight by its own propaganda apparatus.

The Hun Sen group is as Cambodian as we are. So it should unite with us within the framework of a sole independent Cambodian governing regime which is opposed to the Vietnamese-installed regime. By all accounts, we are of the opinion that to restore an early independence to the Cambodian nation, the language intended to break up the Cambodians and destroy the just cause of the resistance movement for the purpose of serving the foreign-installed regime in Cambodia should be put to a halt.

Call on Phnom Penh Officials To Break Away

BK0408023891 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 3 Aug 91

["Slogans on breaking away from the Vietnamese aggressors"]

[Excerpt] [Passage omitted]

1. Military and civilian officials forced to fight for and serve the Vietnamese aggressors are urged to break away from them and return home to join their families, villages, and communal national councils which are under the auspices of the Supreme National Council [SNC] with Samdech Norodom Sihanouk as chairman.

2. Military and civilian officials forced to fight for and serve the Vietnamese aggressors are currently working without pay. Having no means to support their families, they are faced with bitter starvation. As such, they have cut loose from the Vietnamese aggressors and have gunned them down everywhere.

3. Military and civilian officials forced to fight for and serve the Vietnamese aggressors should not fight to terminate the existence of the Cambodian nation and people. They should break loose from the Vietnamese aggressors and attack them instead.

4. Vietnam's Phnom Penh currency becomes worthless like cigarette paper. Military and civilian officials forced to fight for and serve the Vietnamese aggressors can no longer survive—they will certainly die. So they have fled from the Vietnamese.

5. Staying with the Vietnamese aggressors means death. But living with national councils in villages, communes, districts, and provinces of the SNC headed by Samdech Norodom Sihanouk means survival.

6. Working with the Vietnamese aggressors means death. But joining the SNC means survival.

Philippines

Anti-Bases Movement To Launch Campaign

HK0508045391 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 4 Aug 91

[Text] An anti-bases movement will be launched this afternoon, at the Philippine Independence Church Cathedral, Taft Avenue, Manila, which will involve a signature campaign against the ratification of the new bases treaty which will extend the lease on the American bases in the country. The campaign aims to gather a million signatures that it hopes will pressure the Senate not to ratify the new treaty. According to Roland Simbulan, official of the said movement, they will proceed to hold a protest march in front of the Senate on Thursday after finishing their signature campaign.

Efforts To Influence Senate on Bases Treaty

HK0508064291 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 5 Aug 91

[By Jojo Ysmael]

[Text] Senator Rene Saguisag confirmed today that there are outside forces who allegedly wish to dictate to the Senate that it ratify the new military bases treaty. The details from Jojo Ismael:

[Begin recording] Saguisag issued this statement in response to the call by Senator Osmena to oust Senator Salonga as Senate president in order to give way to the ratification of the new bases treaty.

Senator Saguisag strongly denied Senator Osmena's allegation that the senators who were against the new treaty were unduly influenced by Senator Salonga. Saguisag stressed that there are outside forces who want to exert undue influence on the decision of the Senate. However, Saguisag assured that these outside forces will not succeed in their objective to change the decision of the senators in rejecting the treaty.

Saguisag also asked President Aquino not to listen to the suggestion of Senator Osmena for her to intervene in the internal affairs of the Senate. In his previous speech at Bacolod City, Senator Osmena said that President Aquino may get 14 senators to side with her if she wishes to dismiss Salonga from the Senate [as heard].

From the Senate, this is Jojo Ismael for Philippine Broadcasting Service news. [end recording]

Senator: Treaty Nonratification May Delay Growth

HK0508112391 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 5 Aug 91

[By Restie de Quiros]

[Text] Senator John Osmena wants the Senate to study the impact of the rejection of the Republic of the Philippines-U.S. military bases treaty on the modernization of the Armed Forces.

In a resolution filed by Osmena, he stressed that the military's modernization may not be realized if the Senate does not act on the agreement formed between the Philippines and the U.S. because this would need a large amount of money. Osmena explained that under the treaty, a large portion of the compensation would go to the Armed Forces for its modernization. Osmena also said that the rejection of the agreement does not amount to the cancellation of the military assistance from the U.S. to the Philippines. Earlier, Osmena warned that the Senate's rejection of the bases treaty might pave the way for a new coup attempt:

[Begin Osmena recording in English—in progress] ...for whom, a resolution directing the Committee on National Defense and Security to undertake an inquiry on the impact on the state of military preparedness of the Armed Forces of the Philippines in the event of a loss of $100 million in American military assistance that will result from the failure of the Senate to ratify the U.S. military bases agreement. [end recording]

Aquino To 'Review' Marcos Corpse Ban

HK0308060691 Hong Kong AFP in English 0533 GMT 3 Aug 91

[Text] Manila, Aug 3 (AFP)—Philippine President Corazon Aquino said Saturday she would periodically review her ban on the return of the corpse of the late deposed strongman Ferdinand Marcos but for now his body should stay buried in the United States.

"We'll review (the ban) from time to time. I believe right now it's best that he not be allowed to come home," she said. "There's no way you can file charges against a dead man."

Aquino also brushed aside the objections of the widowed ex-first lady Imelda Marcos to the government's granting her only a one-way pass to return to this country from exile in the United States.

Aquino decided Wednesday to allow the widow Marcos to return from exile in the United States but granted her only a one-way visa that would prevent her from leaving the country once she returned. The government has also filed tax fraud charges against her.

Imelda Marcos has objected to this and hinted she may not come home if she is forced to remain in the Philippines.

However, Aquino told reporters: "Once the (criminal) charges have been filed and reviewed by the special prosecutor, she really can't leave. Her presence is required during the trial."

The government had previously banned the return of Ferdinand Marcos's body and his widow out of concern that their supporters would use this to launch destabilization attempts.

Meanwhile, die-hard Marcos followers launched a campaign to gather two million signatures to get the government to allow his corpse to be returned.

About 20 Marcos supporters set up a booth covered with posters of the Marcos couple in a suburban public market to get the petition signatures, but only attracted a small crowd of children and elderly people.

The Marcos couple fled to the United States in 1986 after a popular revolt toppled them from power and installed the Aquino government.

Groups Formed To Lift Marcos Corpse Ban

HK0508035991 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 4 Aug 91

[Text] The Marcos family formed a committee which will conduct talks with the Aquino government regarding the return of the late President Marcos' remains.

According to sources from the Marcos camp, the committee is composed of close relatives and former officials of the former president's government including former Prime Minister Cesar Virata. Sources said the former first lady has already asked close friends to contact Virata and encourage him to join the committee which will negotiate with the Aquino government for the possible return of her husband's remains.

The committee, according to sources, is composed of Sister Bellarmine, older sister of Imelda; Mrs. Conchita Yap, younger sister of Imelda; Mrs. Fortuna Marcos

Barba, younger sister of former President Marcos; and former Ambassador to Washington Eduardo Romualdez, uncle of Mrs. Marcos.

Meanwhile, speaker Ramon Mitra, Jr. announced the formation of a committee which will negotiate with the Marcos family. Although there was no mention of who will compose the government committee, the source said it will be headed by Mitra.

Mitra plans to see President Aquino in Malacanang to consult her on his plan to set up the committee which will negotiate with the Marcos family.

This plan of the House speaker has something to do with the letter sent by Imelda to the Catholic Bishops Conference of the Philippines [CBCP] requesting them to mediate and request President Aquino to lift the ban on the return of the late president's remains.

Imelda requested the CBCP to form a committee which will plan and supervise the burial of Marcos to ensure the corpse of the late president will not be used for any political purpose as she promised.

Aquino Admits Volcano Calamity Fund Insufficient

HK0508061891 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 4 Aug 91

[Text] President Corazon Aquino has admitted that the fund allocated to help victims of the Mt. Pinatubo eruption and rehabilitation of the areas ravaged by the calamity is not sufficient. In view of this, President Aquino has ordered Finance Secretary Jesus Estanislao to speed up the appeal for more help from other countries for the rehabilitation of areas affected by the Mt. Pinatubo eruption. Mrs. Aquino said the calamity fund may not be sufficient, especially now that the country is facing other calamities like typhoons and floods. The country's appeal for help from other countries is similar to the pledging session for the Philippine Assistance Program, and is aimed at soliciting 2 billion pesos for the rehabilitation of the areas affected by the volcano's eruption. At the same time, the chief executive requested the two houses of Congress to implement revenue enhancement measures which could provide additional funds for the victims of calamities.

Investments Fall in First Six Months

HK0508125291 Manila THE CHRONICLE in English 5 Aug 91 p 7

[By staff member Corrie Narisma]

[Text] Investments during the first six months of the year suffered a 10.5% decline as the number of projects registered with the Board of Investments [BOI] dropped by 18.6%.

BOI records revealed that investments registered during the six-month period went down from [Philippine pesos] P48.7 billion during the first half of 1990 to P43.6 billion during the same period this year. The number of projects registered also declined from 1,431 to 1,164 during the same comparative periods.

Equity investments from both local and foreign sources also dropped by a hefty 23.6% from P26.8 billion to P20.5 billion.

As the number and value of project registrations dropped, employment generation suffered a 47.5% cut, from 66,292 workers last year to only 34,808 this year.

Economic difficulties made even worse by the 9% import levy were said to have caused the poor investment performance.

Most investors, scared by the levy, either dropped their business plans or postponed the implementation of their projects pending the levy's lifting.

However, the first semester investments represent 51.29% of this year's target of P85 billion. With six more months left, the BOI assumes that the target can be attained.

The 1991 target was originally placed at P100 billion, but was scaled down to P85 billion because of the economic setbacks.

Foreign and local equity registrations were down from P26.8 billion to P20.47 billion from P26.8 billion, with foreign equity investments registering a bigger reduction of 26.8%, from P13.7 billion to P10.05 billion.

Equity infusion in foreign-owned projects went down by 48.7%, from P5.26 billion to P2.69 billion, while those in foreign-controlled joint venture projects declined by 13.22%.

Equity infusion in Filipino-owned projects dropped by 40.6%, from P6.89 billion to P4.09 billion, while those in Filipino-controlled joint venture projects inched by 2.32%, from P6.18 billion to P6.3 billion.

The Japanese remained the biggest foreign investors in the country, although their equity contribution in the first six months of the year dropped by 36.3%, from P5.1 billion to P3.25 billion.

The Americans followed with P1.06 billion, or a 30.23% increase over their P8.14.4-million investment last year.

Hong Kong investors also increased their investment, contributing P1.01 billion or 30.4% more than their P781.15-million investment last year.

Taiwan, which in previous years always made it to the top five, decreased their equity contribution by 94.4%, from P3.2 billion to a measly P179.3 million.

The biggest equity contribution by region came from Asia at P5.5 billion, but was 44.6% less than the P10.07 billion it gave last year.

Other were North America, P1.22 billion; Europe, P1.47 billion; Central America, P173.5 million; Australia and Oceania, P105.46 million; Middle East, P2.5 million; and Africa, P13.04 million.

The largest number of approved projects was in export-oriented activities, which totalled P5.02 billion, employed 26,138 workers and accounted for 70.5% of total project registration.

Most of the plants to be built under the registered projects, or 95, will be located in Metro Manila and the Southern Tagalog region, while another 92 will be set up in Calabarzon, with 37 in Laguna and 27 in Cavite.

Aquino Orders Probe of Malaysia Torture Charge

HK0308070891 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 3 Aug 91

[Text] President Corazon Aquino has ordered Foreign Affairs Secretary Raul Manglapus to immediately investigate the alleged torture of 13 Filipinos by Malaysian authorities. It was reported that the 13 Filipinos were involved in selling prohibited drugs.

High-Ranking Rebel Soldiers Attempt Escape

HK0508040091 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 4 Aug 91

[Text] The Armed Forces of the Philippines [AFP] placed all primary detention centers in Metro Manila under full alert following the failed attempt of five high-ranking rebel officers to escape from detention in Camp Aguinaldo in Quezon City last Saturday evening.

Four of the senior rebel leaders, implicated in the failed coup attempt last December 1989, were recaptured a few minutes after they attempted to escape last Saturday.

Those recaptured were former Brigadier General Edgardo Abenina, former Lieutenant Colonel Billy Bibit, former Lieutenant Colonel Alexander Noble, and former Captain Herbert Avinante. Nonetheless, one escaped and was identified as former Marine Captain Juancho Saban.

Saban is believed to be still within Camp Aguinaldo, which is why the military expanded the scope of its search. [sentence as heard] Saban is expected to be hiding in one of the AFP headquarters in Metro Manila. [sentence as heard] Military units are presently searching buildings surrounding Camp Aguinaldo, as well as houses of the soldiers within the camp, while other units are searching outside the camp. Camp Aguinaldo remains closed and all visits are canceled.

The attempted escape of the detained military rebel officials was undertaken with the use of a hacksaw blade to cut the iron bars in their cells. According to a report, the escape of ex-Colonel Billy Bibit and ex-Brigadier General Edgardo Abenina's group was foreseen by alert military police, which is why Bibit was immediately captured on the roof of the military police unit washing area, while Abenina was captured at the Logistics Command complex. Former Army Lieutenant Colonel Alexander Noble and former Army Captain Herbert Avinante were spotted preparing to escape from their cells. The aforementioned rebel soldiers were with ex-Colonel Gringo Honasan during the failed coup attempt against the government in December 1989. Abenina and Bibit were placed under tactical interrogation while Saban is expected to be captured soon.

Conspiracy Probed in Escape

OW0408102191 Tokyo KYODO in English 0948 GMT 4 Aug 91

[Text] Manila, Aug. 4 KYODO—Military authorities are investigating the possibility that guards or other military personnel conspired with five military rebel leaders, including a former brigadier general, who tried to escape prison, military sources said Sunday.

Former Marine Capt. Juancho Saban—an explosives expert who led the attack on the military's headquarters during the December 1989 coup attempt—succeeded in escaping late Saturday, but his four companions were captured before leaving the compound.

Those who tried but failed to bolt from the military's Camp Aquinaldo headquarters in suburban Quezon City were: Former Constabulary Brig. Gen. Edgardo Abenina, Constabulary Lt. Col. Billy Bibit, Army Col. Alexander Noble, and Army Capt. Herbert Abinante.

The possibility of a conspiracy came up after investigators found a hand-held radio in Noble's cell, and steel saws in the cells of all five rebel leaders, the military sources said.

A light bulb just outside the detention center, which is usually on every night, also was turned off on the night of the escape, fueling the suspicion that the rebels got help from outside.

Abenina, the constabulary commander in central Visayas who participated in the August 28, 1989 and December coup attempts, was caught in a grassy area about 500 meters from the detention center.

Bibit, believed to be the rebel intelligence chief until his arrest, and a participant in the December coup attempt, was found hiding on the detention center's roof. In April last year, Bibit escaped from another detention center but was recaptured in January.

Noble, who led the siege last year on the constabulary headquarters in Cagayan de Oro, about 780 kilometers south of Manila, and Abinante, another rebel officer, had just jumped from their cell windows when soldiers caught them.

Tight Security Follows Jailbreak

BK0508094091 Manila PNA in English 0859 GMT 5 Aug 91

[Text] Manila, Aug. 5 (OANA/PNA)—Tight security was clamped on military camps in Metro Manila after the escape of a rebel military officer Saturday night and the aborted jailbreak of four others, including former Brig. Gen. Edgardo Abenina.

All five detainees had been involved in attempts to grab power, the bloodiest of which nearly toppled the Philippine Government in December 1989.

They were being held as maximum-security prisoners at the military stockade in Camp Aguinaldo, headquarters of the Armed Forces of the Philippines.

The mass escape try sparked rumors that another coup attempt might be brewing.

Top military officials quickly doused such talks. They nevertheless doubled security in all camps in the metropolis, cancelling [words indistinct].

Throughout the day Sunday, outgoing and incoming vehicles as well as pedestrians were thoroughly searched at the camp gates.

Police Foil Rebel Attempt To Blow Up Bridge

HK0508041091 Manila MANILA BULLETIN in English 5 Aug 91 pp 1, 16

[By Vic Vega and Aris Ilagan]

[Text] Police authorities tightened security on all major bridges and government buildings in Metro Manila yesterday following a failed attempt by rightist military rebels to explode a bomb on Quezon Bridge in Manila last Saturday night.

The security measure came on the heels of a foiled jailbreak at Camp Aguinaldo, the headquarters of the Armed Forces of the Philippines (AFP), also Saturday night, involving at least five rebel leaders of the December 1989 coup d'etat.

Chief Superintendent Ernesto Diokno, head of the Western Police District Command (WPDC), said the Manila police have put under tight watch the Ayala Bridge in Ermita, Del Pan Bridge in Tondo, Jones Bridge and Mac Arthur Bridge in Santa Cruz, and the Lambingan bridge in Santa Ana to preempt possible terrorist attacks by rebel soldiers.

Diokno said that he instructed Chief Inspector Rodolfo Rival, commander of the WPDC Mobile Support Group, to conduct 24-hour routine patrols in the city, especially in the vicinity of major bridges and government installations.

Last Saturday evening, operatives of the Mobile Support Group (MSG) of the WPDC recovered a pack of dynamite atop Quezon Bridge.

Police bomb experts said the explosive, which was enough to blow up a portion of the bridge, was left behind by two motorcycle-riding men who tried to plant the dynamite on Quezon Bridge which links Quiapo and Plaza Bonifacio.

The men left hurriedly when Police Officers I (PO1) Carlos Bacud and Alejandro Opriasa, aboard a police car, spotted one of them while sticking green tape on the bridge's bracket and beams.

The bombers sped away on their motorcycle when the policemen tried to accost them.

Before the incident, an unidentified man called up Diokno's office warning that the general headquarters of the WPDC will be bombed before 6 p.m. Saturday. Diokno immediately placed policemen at the headquarters on full alert.

However, the bomb threat proved to be a hoax.

International Committee Reveals Atrocities

HK0408053491 Davao City PEOPLE'S DAILY FORUM in English 27 Jul 91 pp 1, 6

[By Ver Bermudez]

[Text] A fact finding mission composed of 33 government and non-government organizations including church representatives as well as Belgian and German nationals presented yesterday their findings on military operations executed at Davao Oriental and Davao del Norte for the last two months which bared various abuses and atrocities allegedly committed by Philippine Army elements such as looting, burning, harassment, torture and indiscriminate firing resulting in civilian deaths.

The team, collectively known as SOMMIR-MCL [expansion unknown] Medical, Relief and Fact Finding Team, also provided a four-point demand to stop the alleged injustice being committed by military men. Handouts outlining their findings were distributed to newsmen during the press conference which the team hosted here in this city.

SOMMIR-MCL said that the counter insurgency campaign of the military only aggravates the hardships of the people and worsens the economic situation of the Filipino majority. The areas they covered, which the group described as war torn, were Sitio Logdeck; Banaybanay, Davao Oriental; Malig, Mariano, Lupon, Davao Oriental; New Visayas and Sangab, Maco, Davao del Norte.

In their report, the mission confirmed that 39 houses in Sitio Logdeck and 8 more in Malig were burned down by

the 25th IB [Infantry Battalion] under Lt. Hector Salvador. This was done during an insurgence related operation from May 26 to June 27, 1991.

After the operation in the said areas, the people complained that their farm implements, domestic animals and other valuables were lost. It was also stated on the report that sporadic bombings, both ground and aerial, forced the civilian populace to abandon their homes and farms.

A 10-year old boy, identified as Randolph Dalagan, was reportedly killed while being carried by his father when a 105 shell exploded 2 meters from where they were situated. A brother of the fatality was also wounded, the report also said.

In Davao del Norte, the report said, solidiers belonging to the 64th IB under Lt. Tan placed a farmer under arrest and subjected him to torture on mere suspicion that he is an NPA [New People's Army] rebel.

Also in the same province, around 130 families were forced to leave their farms. Food blockades were likewise implemented, according to the report. In addition, curfew was imposed while an abandoned house was destroyed by removing its walls which was later used by the military in constructing their detachment.

Reports also show that the military unit, who earlier planted marijuana, forced male residents to smoke marijuana. The military also urged the civilians to plant marijuana, it was further bared.

Part of the report by the SOMMIR-MCL revealed that civilians were subjected to harassment which include physical and mental assault. Cramped and unsanitary conditions in nearby evacuation centers, particularly in the Davao del Norte areas, have reportedly caused epedemics.

In the report of the SOMMIR-MCL, they indicated four demands which were:

Indemnification of the victims of militarization; Giving immediate justice to all the victims of human rights violations caused by the militarization; Ending of the Total War Policy and other forms of militarization; and observance of Protocol II [Roman numeral] of the Geneva convention during the conduct of military and NPA operations.

The group also said that they will be ready soon to file appropriate charges against the military units they have named.

Police Complain About Silence on NPA Acts

HK0308075091 Davao City PEOPLE'S DAILY FORUM in English 1 Aug 91 p 4

[Text] Why are the human rightists silent up to now on the massacre done by the NPA [New People's Army] in New Corella, Davao del Norte, some two months ago?

This was the question raised here this week following complaints by Philippines National Police officials that no action has been taken yet by the Commission on Human Rights in investigating the incident.

It may be recalled that a number of innocent civilians and children were killed by New People's Army terrorists who ambushed and strafed a passenger jeep plying the route in New Corelia.

After the incident, the NPAs issued an "apology". One group called Anti-violence Advocates (AVA) called the apology "insulting".

"Where are the so-called human rights groups and other NGOs [Non-Government Organization] that always shout with anger when the military and the government commit some human rights violations. Now that the NPA is responsible, one rarely hears a "whimper" of protest from them, AVA Spokesman Menardo Wenceslao said in a statement.

We must not commit the mistakes of the past where there was fascination and support for the armed terrorists, AVA added.

"Let us support a balanced advocacy for protection of human rights, not an advocacy promoting the cause of communists and the radicals" Wenceslao said.

Authorities Arrest Top NPA Leaders in Makati

HK0508110691 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 05 Aug 91

[Text] Two top New People's Army [NPA] leaders were arrested today by authorities. Arrested were Romulo Quintanar and his wife Gloria Jopson. Here are the details from Josette Olivera:

[Begin recording] The authorities arrested not only Romulo Quintanar but also his wife Gloria Jopson. We learned this from the office of Colonel Percival Adiong, constabulary highway patrol group chief.

Romulo Quintanar, who has a P1,000,000 Philippine pesos bounty on his head; and his wife Gloria Jopson, who has a P500,000 Philippine pesos bounty on her head, were arrested at 1500 this afternoon at the Makati Medical Centre. Colonel Percival Adiong said they were there for medical consultation with Dr Hechanova. The couple did not put up a fight and the authorities were not able to find any firearms.

It was also learned from Colonel Adiong that the couple has been under surveillance for a long time by the military. They were not confined in the hospital. From Camp Aguinaldo, this is Josette Olivera reporting. [end recording]

NPA To Require Passes for Candidates

HK0308034091 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 02 Aug 91

[Text] New People's Army [NPA] members will arrest politicians who cheat or use violence in the 1992 elections. This was announced by Leopoldo Mabilangan, alias Comrade Hector, of the NPA Banahaw Command. Comrade Hector said that they did not believe in the elections because they will only worsen the lives of the people. He also added that they will not allow candidates to campaign in places which they [NPA] control unless these candidates get safe conduct passes from the NPA board of officers.

In past elections, a number of candidates got safe conduct passes from the NPA in order to campaign freely in NPA-controlled areas. Here is the explanation by Leopoldo Mabilangan, alias Comrade Hector, of the NPA Banahaw Command:

[Begin Leopoldo Mabilangan recording] We are going to establish our own guidelines. We are even going to make safe conduct passes. Candidates without these passes will not be permitted to campaign. We will make certain that the elections in the areas which we control will be clean by arresting those who cheat, buy votes, or use force and violence. [end recording]

Thailand

Premier Discusses Foreign Trips, Term, Bush

BK0308131591 Bangkok NAEO NA in Thai 3 Aug 91 p 2

[Excerpts] Prime Minister Anan Panyarachun yesterday hosted a luncheon for newsmen at the Government House Santi Maitri Building, after having worked together for five months. The atmosphere was very friendly during the two-hour function. [passage omitted]

On overseas trips, the premier said he will visit China in late September and that he was involved in the renewal of Thai diplomatic ties with China. He said the visit will strengthen the already close relations, and will not concentrate on trade. He said the Chinese president and the premier wanted him to visit. On Japan, he said he has agreed in principle to visit Japan, but Japan still could not decide on a date as they are busy preparing the Japanese Liberal Democratic Party for elections and the Diet meeting.

Prime Minister Anan said he got to know General Suchinda while he was ambassador in Washington D.C. and the latter a military attache there. Gen. Suchinda was then a lieutenant colonel or a major, he said. They were there together for only a year and two months but they did not get to know each other as the military attache's office and the embassy were at different sites. They exchanged invitations for dinner or lunch and they were sincere and simple affairs without ulterior motives. They were like brothers. [passage omitted]

Asked if he enjoyed being prime minister, Anan said he liked the work but not the title. He said he enjoys working, and even at the time when he was with the Saha Union Group. When asked what he meant, he laughed and said nothing. Asked if he would like to remain prime minister, he said the work is fun but that he is not excited by the position. Asked if he ever stumbled, he admitted that it is normal to come across obstacles sometimes. In work, nothing is always smooth.

Asked what the next premier should be like, he said he would not respond to such a question anymore as what he says will be blown up on the newspaper headlines the following day. He said it would be a breach of the charter as he cannot comment on the drafting of the constitution and the work of the Assets Investigation Committee. Whatever he says will be reported, no matter if the statement came from Anan the individual or Anan the politician. They are the same person. He said he always voted in the elections, taking his wife along to the polling station. He doesn't know whom his wife voted for and vice versa.

When reporters hinted that he should tell his wife to vote for him this time, he laughed and said he is not interested in contesting in the elections. He said: I will be in office for another six months. Anything can happen. I will let you know.

Asked why he was confident that he would survive another six months, the prime minister said: Do you want to bet with me? [passage omitted]

Asked what he thought about reports that the National Peace Keeping Council is not happy with the government, the prime minister asked who told them that. The premier also denied he knew about such rumors and said he would not answer such questions anymore as he is tired of making denials.

Asked if he is planning to visit Saudi Arabia, he said he will wait for the police to settle the two cases related to nationals of that country first. [passage omitted]

The prime minister talked about Thai-U.S. trade issues. Only two technical issues remain to be settled, and they concern patent registration and the protection period, he said. He noted that the problem is rather technical, and that they will never be able to solve it if they delved on the technical aspects at the negotiations. He said each side is aware of the other's stand and they have been discussing it for years. He believed that a settlement could be achieved through the approaches of international relations or politics. Yet, he noted the atmosphere at talks has greatly improved. Both the U.S. and Thailand have made concessions. There is no deadline for the settlement of the two issues, but Thailand wishes it could done by the end of this year, and the sooner the better.

When asked about the letter he wrote to President George Bush, The prime minister said Ambassador M.R. Phiraphong Kasemsi reported to him that when he presented credentials to President Bush on 22 June, the President had asked about the prime minister. He said he has not met President Bush for 16 years and the President asked about him. He was touched that the President still remembered him. The prime minister said his wife knows Mrs. Bush. So he wrote to President Bush. [passage omitted]

SRV Minister 'Too Ill To Return Home'

BK0508105691 Hong Kong AFP in English 1041 GMT 5 Aug 91

[Text] Bangkok, Aug 5 (AFP)—Vietnamese Deputy Foreign Minister Le Mai, hospitalized here last week after suffering a stroke, is too ill to return home, an embassy official said here Monday.

The official added Le Mai was recovering at the Vietnamese ambassador's residence here.

Le Mai was scheduled to hold talks with senior Thai Foreign Ministry officials this week but the official said this would "depend on his health and whether the doctor will permit him to work. The doctor visits him frequently, but we do not know for certain when he will be allowed to travel home."

A chief nurse at the Bamrungrat Hospital, where Le Mai was admitted for treatment Tuesday, said he had been discharged Saturday.

Hospital sources said Le Mai was suffering from a cerebral infarction caused by a constricted blood vessel to the brain which had left him weak on one side of the body.

Le Mai became ill Tuesday shortly after holding talks on the question of U.S. soldiers still listed as missing in action (MIA) since the Vietnam war and on the future of U.S.-Vietnam relations with U.S. Assistant Secretary of State Richard Solomon.

After treatment Le Mai began to feel better Wednesday, but was kept in hospital for another three days for further checks.

Class 5 Members Strengthen Hold on Armed Forces

BK0508023991 Bangkok BANGKOK POST in English 5 Aug 91 pp 1, 3

[Excerpts] Class 5 members of the Chunlachomklao Royal Military Academy led by Army Chief Gen Suchinda Khraprayun have further strengthened their hold on the Armed Forces in a major reshuffle yesterday which laid a firm foundation for a smooth succession by Gen Suchinda's heir apparent.

In addition to the post of army commander-in-chief which he has held since 1989, Gen Suchinda was yesterday appointed to succeed Supreme Commander Gen Sunthon Khongsomphong, who is due to retire at the end of September. This will make Gen Suchinda the most powerful figures in the Armed Forces.

Gen Suchinda's class-mate, Assistant Army Commander-in-Chief Gen Wimon Wongwanit was appointed deputy supreme commander, replacing Gen Phichit Kunlawanit, a professional soldier who was kicked upstairs to become deputy permanent secretary. The promotion has made Gen Wimon a strong candidate to replace Armed Forces Chief-of-Staff Gen Phisit Salikhup in the next reshuffle.

Gen Wimon was succeeded by First Army Region Commander Lt-Gen San Siphen, also a Class 5 member.

Second Army Region Commander Lt-Gen Phaibun Hongsinlak, another Class 5 officer, was appointed First Army Region commander. He was succeeded by his classmate, Lt-Gen Ariya Ukhotkit, director of the Territorial Defence Department.

Lt-Gen Phaibun and Lt-Gen Ariya are both known to be close to Gen Suchinda and his brother-in-law and deputy, Gen Itsaraphong Nunphakdi.

The post of Third Army Region commander is being held by another Class 5 member, Lt-Gen Phairot Chanurai.

Of all the four army region chiefs, only Fourth Army Region Commander Lt-Gen Kitti Rattanachaya is not a Class 5 officer.

Analysts said while most Class 5 are holding key positions at the top, the middle-ranking positions at divisional level are being held by members of the Class 8 and Class 11 with whom their Class 5 seniors have cultivated good relations.

The key link between Class 5 and Class 11 officers is Maj-Gen Chainarong Nunphakdi of Class 11, a cousin of Gen Itsaraphong.

Maj-Gen Chainarong, who currently commands the Bangkok-based First Division which had played a key role both in staging and countering past coups, was yesterday promoted to head the First Army Corps, placing him in a position to become the First Army Region commander in the next reshuffle. [passage omitted]

Yesterday's reshuffle put most of the country's 16 combat divisions under the control of Class 11.

Class 8, which is also closely associated with Class 5, has its members commanding a few other divisions: The 15th Division under Maj-Gen Wisan Kanitthanon and the First Cavalry Division under Maj-Gen Ruthai Nilobon.

Analysts said the line-up of Class 11 members in key positions, especially that of Maj-Gen Chainarong Nunphakdi, will ensure a non-contested ascension to the

coveted post of army commander-in-chief by Gen Itsaraphong, probably next year when Gen Suchinda is expected to relinquish it and maintain only the supreme commander post.

A major upset in yesterday's reshuffle was probably the appointment of Gen Phicit Kunlawanit, who was next in line for Gen Sunthon Khongsomphong's post. He was instead kicked upstairs to become deputy permanent secretary to pave way for Gen Suchinda, who is his junior, to assume the post. [passage omitted]

Editorial Analyzes Reshuffle

BK0508012391 Bangkok THE NATION in English 5 Aug 91 p A10

[Editorial: "Gen Suchinda and Class 5 in control"]

[Text] Following the Feb 23 coup, military leaders said that one of the reasons that they had been forced to take power was that politicians had abused their power by interfering in the promotions of senior bureaucrats and police and military officers. So for the first time in many years, the annual military reshuffle announced yesterday saw no "intervention" by politicians, and no changes by either Prime Minister Anan Panyarachun or Defence Minister Adm Praphat Kritsanachan.

There were not any major surprises; only a few slight upsets. The outcome is clear: Army Commander Gen Suchinda Khraprayun, who will succeed Gen Sunthon Khongsomphong as supreme commander on Oct 2, will have essentially complete control of the Armed Forces. He will be backed solidly by his cohorts who graduated along with him in Chunlachomklao Military Academy's Class 5, many of whom have held or will hold key army posts.

In order to make way for Gen Suchinda to take over Gen Sunthon's post, Gen Sunthon's deputy, Gen Phichit Kunlawanit of Class 2, was moved to serve as deputy permanent secretary at the Defence Ministry. It would be inappropriate according to the military academy's tradition for Gen Phichit to stay as a deputy to the new supreme commander three years his junior.

While he was the number one assistant army commander, Gen Phichit was moved to the Supreme Command two years ago to give way for the rise of Gen Suchinda, who was then the number two assistant army commander, to the deputy army chief's post and subsequently to the top Army post when Gen Chawalit Yongchaiyut stepped down in early 1990.

Class 5 everywhere

Replacing Gen Phichit as deputy supreme commander is Gen Wimon Wongwanit, assistant army commander, who also belongs to Class 5. His transfer reduces to two the number of major contenders for the top Army post when Gen Suchinda retires in 1993. The two are Deputy Commander Gen Itsaraphong Nunphakdi and Chief-of-Staff Gen Wirot Saengsanit, both from Class 5. Gen Wimon is being replaced by Lt Gen San Siphen, commander of the First Army Region, also from Class 5.

Succeeding Lt Gen San at the influential First (Central) Army Region is Lt Gen Phibun Hongsinlak, commander of the Second (Northeast) Army Region, of Class 5. And succeeding Lt Gen Phibun is Lt Gen Ariya Ukhotkit, chief of the Territorial Defence Department. The incumbent Second (Northern) Army Region commander, Lt Gen Phairot Chan-uri, is also from Class 5. But Fourth (Southern) Army Region Commander Lt Gen Kitti Ratanachaya is from Class 8.

At the Navy, Commander Adm Praphat Kritsanachan is due for retirement by the end of next month. He will be succeeded by Chief-of-Staff Adm Wichit Karunyawanit, who is also deputy interior minister. Adm Wichit's chief-of-staff post will be filled by Vice Adm Surawut Maharom, assistant chief-of-staff for operations. Vice Adm Surawut is considered a "dark horse" for this key naval post which is traditionally a stepping stone to the top commanding post.

There were no major changes at the top echelons of the Air Force. Commander ACM [Air Chief Marshal] Kaset Rotchananin is not under any pressure to step down before his retirement in 1993.

But Gen Suchinda is, and his takeover of the supreme commander post is an indication that he plans to step down in favour of one of the two top contenders after he puts the military house in order next year. As supreme commander, he will have a role in the military reshuffle not only at the Supreme Commander—dubbed a "graveyard" of powerless generals, but also at the Navy and Air Force as well.

Like his predecessor Chawalit, who is leader of the New Aspiration Party, Gen Suchinda is a front runner for the premiership. But unlike Chawalit whose last key ally, Gen Sunthon, is due for retirement next month, Gen Suchinda will continue to have the backing of Class 5 for several years to come if he steps down next year to start a career in national politics. Chief-of-Staff Gen Wirot, who is also a deputy communications minister and one of the youngest in Class 5, retires in 1996.

The two contenders

His relatively young age, however, puts him in a slightly disadvantageous position when compared with Gen Itsaraphong. Gen Itsaraphong, like Gen Suchinda, is due for retirement in 1993. If Gen Suchinda doesn't move out, Gen Itsaraphong will be stuck as Gen Suchinda's deputy until his retirement.

Gen Itsaraphong is secretary-general of the National Peace Keeping Council and interior minister. These two key posts reflect Gen Itsaraphong's clout in the Army. Moreover, he is a brother-in-law of Gen Suchinda, who is married to his younger sister.

Gen Suchinda has hitherto maintained that he has no "political ambition" about becoming the next prime minister. But he has made clear his intention to emulate Chawalit in stepping down before he reaches the official retirement age of 60 to let his subordinates rise.

Where will Gen Suchinda go to after he steps down when Chawalit—who has declared his intention of becoming the next premier—is standing in the way to the premiership? Gen Suchinda may not be losing any sleep over this question yet. His immediate task is how to ensure an orderly power succession in the military, particularly in the Army.

Chatchai Returns To Clear Name With Committee

BK0408013091 Bangkok THE NATION in English 4 Aug 91 p A1-A2

[Text] Former Prime Minister Chatchai Chunhawan said yesterday he returned to Bangkok purely to prove his innocence to the Assets Examination Committee and will stay until he has cleared every problem with the Assets Investigation Committee.

But a senior army official, Gen Wimon Wongwanit, questioned Chatchai's ability to clear himself of the charge. "I doubt he can do it," said Wimon, who also said that the ex-premier's presence would not affect the political situation here.

Earlier, Chatchai said in a prepared statement that he harboured no ulterior motives against the government and the National Peace Keeping Council (NPKC).

"I am here to prove that I am innocent and also to push for the investigations of politicians' assets by a just and standardized system.

"I don't want my return to Thailand this time to cause any problems or trouble to the government or the NPKC. I just want to reveal the truth to the committee. As I don't want anybody to misunderstand me while I am in Thailand, please do not relate my staying here with any incidents that may lead to turmoil," Gen Chatchia said during his first official interview with the press.

Chatchai arrived in Bangkok yesterday morning from England after being announced by the military-appointed powerful committee that he is one of the politicians suspected of acquiring his wealth through illegal means.

Chatchai said he did not know what was really behind the freezing of his assets and the announcement charging him as being unusually rich. He also denied that he and the NPKC had entered into an agreement that he would be dropped from the list of politicians accused of being unusually wealthy if he quit politics.

Chatchai said he had declared his assets with the Counter Corruption Comission when he was appointed the country's prime minister. The committee said it could not find the sources of some Bt [Baht] 70 million of Chatchai's assets.

"Bt70 million? I think Bt70 million is the right amount if the investigations traced back to the day I was born," he said jokingly.

Chatchai said he has already assigned a lawyer to contact the graft committee and should know by Monday when he has to testify before the committee.

"I and the lawyer still don't know each other well. He doesn't know the amount of assets I have. We have to talk sometimes," he said.

The former prime minister said what had happened to him has affected his and his family's reputation.

Asked what he meant by wanting to have a just system in investigating the assets, Chatchai said the Asset Examination Committee can also give justice too.

"I am not here to argue about fairness or unfairness. I just want to clear up the committee's suspicion about my assets," he said.

Chatchai said he has not contacted Phithak Intharawithayanan.

"I haven't been involved with any businesses since I was appointed the prime minister. I also haven't met Khun Phithak," Chatchai said.

Phithak, a businessmean and a former senator, also faced the committee's charge of being unusually rich.

Chatchai also said he does not know the whereabouts of Pol Capt [Police Captain] Chaloem Yubamrung, who used to be former PM's [prime minister] Office Minister and Deputy Education Minister in his Cabinet.

"I don't know much about what's going on here. I just know only the size of the park in London," he said.

Chaloem fled the country after the Feb 23 coup and is in political exile in Denmark.

Chatchai also denied that he owns a townhouse in London. He said he is living in a one-storey building with three bedrooms.

"Some politicians visited me sometimes. I also played golf and jogged when I was there," he said.

Asked how long he will stay in Thailand, Chatchai said he will be here until he can clear up things with the committee. However, he said he planned to stay until Aug 12 which is her Majesty the Queen's birthday.

Chatchai said he could not say at the moment what he would do with his political future as he wanted to be freed of the charges of being unusually rich first.

However, he said he had already tendered his resignation as the Chat Thai Party leader with party secretary general Banhan Sinlapa-acha since February.

But he said the party's executive committee has yet to discuss whether his resignation should be approved.

Asked whether he would return as the party leader again if being called on by Chat Thai members, Chatchai said: "I can't say anything now. It depends on whether the call is made according to democratic principles or not."

Assistant Army Comander-in-Chief Gen Wimon Wongwanit said he doubted Chatchai would be able to clear himself of the charge.

"I don't know whether he would be able to clear himself," said Wimon who is also deputy defence minister.

Assets Chairman Denies Deal

BK0408014891 Bangkok THE NATION in English 4 Aug 91 p A2

[Excerpt] The chairman of the military-appointed graft committee yesterday denied a claim by relatives of deposed Prime Minister Chatchai Chunhawan that he had promised to drop the corruption charge against him if he went into exile.

Gen Sit Chirarot, responding to Chatchai's wife's complaint that he failed to keep his promise, said yesterday he had never made any deal with anybody where the investigation into the assets of 25 alleged corrupt politicians was concerned.

"I don't know who made the promise. But I never promised anybody that his name would be dropped (from the list of suspected corrupt politicians)," he said.

Gen Chatchai's wife, Thanpuying Bunruan, and close associates claim that the former prime minister was told that the graft committee would not pursue the corruption case against him if he agreed to live in exile. But they would not say specifically who made the promise.

Sit said Chatchai, who arrived in Bangkok from London yesterday, would be accorded the same treatment as the others listed by the committees as politicians who had acquired "unusual wealth" while holding public office.

"Gen Chatchai is welcome to make an appointment to testify before the committee. But there will be no special arrangement (for him)," the chairman said. "The committee arranges for the politicians to testify on a first-come-first-served basis."

He said the committee had not been contacted by Chatchai. [passage omitted]

Impact of Chatchai Return

BK0408031091 Bangkok THE NATION in English 4 Aug 91 p B3

["Sideline" column by Sophon Onkgara: "Chatchai here on an offensive?"]

[Text] This coming week will be very interesting. Political observers are rubbing their hands in glee because of the return to town of former Prime Minister Chatchai Chunhawan. As we know, he comes back from self-imposed exile in London to clarify how his family has amassed the huge fortune that is currently still frozen by the Sit Assets Investigation Committee.

Is he here with a time bomb, or a keg of dynamite with a sputtering fuse? This remains a subject of speculation. The former premier can never be underestimated. But it would not be totally off the mark to assume that Chatchai thinks that the time is right to make a first-hand evaluation of the domestic political mood so that he can decide about his future.

Chatchai is a desperate man who thinks that his good name has been severely maligned. The announcement by the Sit committee that Chatchai is "unusually wealthy" is an embarrassment for the ex-premier. He finds the accusation intolerable as he has to meet friends, acquaintances, and London socialites.

At this point, he has nothing more to lose, except for a fact that the bulk if not all of his assets could be eventually confiscated.

His return can be viewed as an offensive of sorts. This time, he will deal from newly-gained strength. Chatchai knows that public sentiments are broadly against the National Peace Keeping Council [NPKC] which toppled his administration in the Feb 23 coup d'etat.

Ramkamhaeng University students are demonstrating daily, albeit in small groups, against the Constitution Drafting Committee and the military junta. Politicans are more vocal in their criticism.

We should not forget that there was a lot of sympathy for Chatchai among reporters when he held the reins at Government House. Some even shed tears when he led his family members onto the departure flight to London in March. And certainly enough time has passed for those reporters to forgive his stubbornness and high-handed decisions.

It will not be a surprise if Chatchai and his family members see more tears from the same reportes and other sympathizers. Members of the notorious Chat Thai Party, now in disarray due to a lack of clear leadership, will still look at the disgraced ex-premier as a beacon and they will give him all their support.

The public has no sympathy for the Chat Thai Party, where key members are in the same situation as Chatchai. Since its inception Chat Thai has never been

regarded as a group of politicians with high moral standing. It has been branded as a bunch of businessmen who entered politics to preserve whatever commercial interests they had and to explore any opportunities to expand their empires.

Chat Thai has become synonymous with high-powered greed. When they held Cabinet portfolios, its members employed all sorts of devious tactics to eliminate rival businesses or prevent them from expanding.

Many people are happy that several key party members are crippled financially and politically after years of demonstrating their arrogance in ministers' posts. But they are willing to be more sympathetic to Chatchai.

The ex-premier's affable style has won him a lot of friends. His easy-going manner often even disarms antagonists after a few minutes of chatting with him. However, his staunch rivals think they will never be fooled by Chatchai's character.

Chatchai will be swarmed by members of the press wherever he goes while he is testifying in front of the Sit committee. His comments wil be prominently reported. If the former prime minister has not lost his skills and political finesse, he can expect to gain more sympathy.

Let's say that while most people don't care about the fate of those already declared unusually wealthy, they are prepared to exclude Chatchai from that bunch.

This means that the Sit committee will be faced with a very sticky situation, particularly as its credibility is already eroding. Assuming the role of judge and jury in the assets investigation under a cloak of secrecy, the committee is increeasingly viewed as a tool in a political vendetta.

The committee's repeated claim that it has been working with total independence and without any directives from the NPKC will be a disadvantage. Publicity about Chatchai's presence here will inevitably lead to a verbal exchange if Chatchai decides to go for broke.

We cannot rule out an odd turn of events. Chatchai may just utter something like this: "No problem. I have explained everything to the committee, which has shown kind understanding. I expect to receive fair consideration."

That means there is no confrontation. The NPKC will fervently hope that there is nothing more than that type of statement. It will be happy to see him leave Bangkok as soon as possible. Chatchai's temporary presence must not be used as a weapon to further discredit the military junta now almost being overwhelmed by problems and bad publicity.

Both the committee and the NPKC will be in an awkward position while Chatchai chalks up points. Damned if they eventually confiscate Chatchai's assets, and damned if they don't.

If Chatchai is declared clean, the NPKC will have difficulties explaining its failure to prove corruption in the previous administration. That cannot be allowed to happen. So some Chat Thai members will have to be the fall guys in what must be underhanded negotiations—some sort of gentleman's agreement that some of the assets would be returned against a promise that they must leave politics for good.

The master of survival can then prove that he still retains most of his clout and if he so wishes, can keep the Chat Thai party leadership. And it will mean that new, more imaginative excuses will have to be invented for the next coup.

Meanwhile, Chatchai and his followers will be laughing their heads off. And the whole Thai nation will cry.

King Appoints New Deputy Interior Minister

BK0208134191 Bangkok Army Television Channel 5 in Thai 1230 GMT 2 Aug 91

["Announcement appointing cabinet minister"]

[Text] His Majesty King Phumiphon Adunyadet has decreed that it be announced that per his appointment of Prime Minister Anan Panyarachun on 2 March 1991 and of cabinet ministers on 6 March 1991 and 10 July 1991, for the sake of suitability and greater benefit to national administration, empowered by Article 21 of the Constitution of 1991, he appoints Charoenchit Na Songkhla as deputy interior minister.

This appointment is effective immediately.

Announced on 29 July 1991, being the 46th year under the present king's reign.

Countersigned by Anan Panyarachun, prime minister

Vietnam

VNA: U.S. President's Statement on MIA's

BK0508072191 Hanoi VNA in English 0635 GMT 05 Aug 91

[Text] Hanoi VNA August 5—President George Bush said on Friday there was no hard evidence any U.S. troops listed as missing in action (MIA) were alive in Southeast Asia, and condemned those he said were fueling false hopes for the families of missing soldiers.

"There is no hard evidence of prisoners being alive, and for those who are unscrupulously raising false hopes of families by fraud, they should really be condemned," AFP quoted President Bush as saying in Washington upon his return from the Soviet Union.

Photographs have been made public in Washington in recent weeks weeks purporting to show U.S servicemen listed as missing in action since the Vietnam War

The U.S. Government has cast doubt on the photo's authenticity describing them as the work of opportunists seeking to take advantage of grieving families holding out hope a missing relative might be alive.

Radio Reports Cheney Remarks on MIA Issue

BK0408103291 Hanoi Voice of Vietnam in English 1000 GMT 4 Aug 91

[Text] AFP quoted U.S. Defense Secretary Dick Cheney as condemning immoral persons who played with the suffering of some American families and made profits through publicizing news about their members. He said that this has further obstructed the Pentagon's work.

Mr. Dick Cheney held that the opening of an MIA office in Hanoi and Vietnam's acceptance of U.S. searches at former crash sites are the biggest progress made so far in the search for information of some 2,000 Americans reported missing in the Vietnam War.

Visit by MIA Specialists

BK0308104891 Hanoi Voice of Vietnam in English 1000 GMT 3 Aug 911

[Text] At the request of Vietnam, Laos, and Cambodia on the investigation into a controversial photo of some Americans reported missing during the Indochina war, Deputy Assistant Secretary of State Kenneth Quinn and MIA-POW specialists of the U.S. Defense Department came to Hanoi and Vientiane for the (?present).

In Hanoi, the American officials met representatives of different organizations and offices, including Deputy Foreign Minister Le Mai.

Vietnam promised full cooperation with the United States in investigation efforts, despite the official Vietnamese version that there are no American prisoners of war being held in Vietnam.

For its part, the Lao Government has also promised to fully cooperate with the U.S. side and to work to collect more information on this issue.

The Cambodian Government has allowed a team of American MIA and POW specialists to come to Cambodia to collect the necessary information. The team will have stayed in Cambodia for a week.

No POW's at Tien Lanh

BK0508093691 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 4 Aug 91

[Text] A group of U.S. Government officials recently visited the Tien Lanh re-education camp in Quang Nam-Danang Province to investigate an unconfirmed report that three missing U.S. pilots—as shown in a mysterious photo published in the United States—are being detained at the camp. However, after investigation, the U.S. Government officials left the site concluding that there was not a single U.S. pilot detained there.

Mr. Bell, a responsible official of the MIA office in Hanoi, and U.S. Government officials who work for the U.S. Defense Department told Vietnamese officials and people at the camp that there was not a single American at the site.

Radio Comments on Relations With U.S.

BK0208120991 Hanoi Voice of Vietnam in English 1000 GMT 2 Aug 91

[Radio commentary]

[Text] Deputy Foreign Minister Le Mai and U.S. Assistant Secretary of State for East Asian-Pacific Affairs Richard Solomon held talks in Bangkok on 30 July. This is the sixth official meeting between Vietnam and the United States since July last year when the U.S. secretary of state officially declared Washington's stance toward Vietnam.

Since then, the two countries often have had contacts to exchange views on the normalization of relations between the two countries and other issues of mutual concern.

Before the Bangkok meeting, Mr. Kenneth Quinn, U.S. deputy assistant to the secretary of state, visited Vietnam, and according to the Vietnamese Foreign Ministry, six U.S. representatives will visit Vietnam next week.

These visits show that Vietnam and the U.S. continue to maintain the dialogue between the two countries. Though rapid progress has not been made in bilateral relations, this dialogue contributes to improving the atmosphere between the two countries. Thanks to this, the settlement of the missing-in-action [MIA] issue has been promoted. Vietnam has created favorable conditions for the U.S. delegations to enter Vietnam for investigation into this issue.

As soon as the appearance of a photograph showing three American pilots missing during the Indochina war, Vietnam affirmed its readiness to coordinate with the U.S. side to investigate and make clear the matter on missing American servicemen. However, the spokesman for the Vietnamese Foreign Ministry said that there is only 0.01 percent of truth in that news.

In previous meetings as well as the recent meeting between Vietnam and the United States, the U.S. side recognized Vietnam's goodwill and great efforts in solving the missing-in-action issue. Mr. Solomon said that Vietnam has done a lot for this issue and Mr. Quinn thanked Vietnam for its prompt cooperation in solving the MIA issue.

The efforts of Vietnam have made the meetings, especially the sixth one between Vietnam and the United States, more significant. The keeping of contacts between the two countries is in conformity with the current trend of dialogue and cooperation in the world.

But it is regrettable that so far the U.S. still maintains the trade embargo against Vietnam. This policy is outdated and it prevents the process of normalization of relations between the two countries. However, it is clear that it may slow down the process of normalization of relations between the two countries but cannot prevent American businessmen from coming to Vietnam. The evidence is that there are more U.S. representatives follow businessmen come to Vietnam to investigate into the situation in Vietnam. [sentence as heard]

To make the sixth meeting and the following meetings between the two countries greater successes, the U.S. Government must lift its trade embargo against Vietnam and adopt a more realistic view toward the relations between the two countries.

4,000 Vietnamese To Settle in U.S. in Aug

BK0408103691 Hanoi Voice of Vietnam in English 1000 GMT 4 Aug 91

[Text] About 4,000 Vietnamese to settle in the United States will fly directly from Ho Chi Minh City to Honolulu in Hawaii in August. They will arrive in two flights, the first direct flights to the United States so far.

At present, about 5,000 Vietnamese are leaving the country for resettlement abroad under the Orderly Departure Program, the (?SO) Program reserved for high officials of the former South Vietnam regime, and Amerasian Program.

Improved U.S.-USSR Ties, Results of Summit

BK0408085791 Hanoi Voice of Vietnam in English 1000 GMT 31 Jul 91

[Station commentary]

[Text] The Soviet-American summit is going on in Moscow while U.S. President George Bush and Soviet President Mikhail Gorbachev are discussing a wide-range of issues of world significance. The world is hoping for the results of this summit. In this connection, our correspondent has this comment:

The current summit in Moscow is the ninth meeting between the two presidents since Mr. Gorbachev was appointed general secretary of the Communist Party of the Soviet Union [CPSU].

This meeting is of great significance to both the Soviet Union and the United States. The assistant in charge of the Soviet Presidential Press Bureau said that at this meeting the two presidents will discuss issues of bilateral ties, developments, and all issues of world concern.

In fact, Soviet-American relations have already had a strong effect on world developments. Over the past years, thanks to the results of the summit meetings between the two countries, the political climate of Soviet-American relations has been improving considerably. This has [word indistinct] the state of confrontation in the world. It is also interesting to note the improvement in the process of disarmament. The most important issue of the summit will be the Strategic Arms Reduction Treaty [START]. Discussion on START has been underway all through the past nine years.

After three days of talks, President Gorbachev and President Bush reached a number of agreements. The formal signing of START was scheduled on Wednesday, 31 July. The treaty was initialled two days ago. Mutual understanding has been promoted during the talks between the two leaders and officials of the two countries. The two leaders also signed agreements on tax-free, on civil aviation, technological cooperation, medical supplies, and cooperation in the prevention of industrial accidents. These are great, important results for the promotion of world peace and security. In particular, the signing of START is the great task in slashing the superpowers' arsenals and promoting disarmament for the sake of peace and the security of nations.

If the Soviet-American summit has its own significance, the current Moscow summit will surely be a reminder of the two countries' contribution to world peace and security. It is safe to say that the success of the current Soviet-American Summit in Moscow is related to the Soviet contribution to the conclusion of the START Treaty.

USSR Ranks as 4th Biggest Investor

BK0508072691 Hanoi VNA in English 0649 GMT 5 Aug 91

[Text] Hanoi VNA August 5—A joint venture has been formed with the Soviet Union for the production of condensed fruit juice in Ho Chi Minh City, it is reported by the English language daily VIETNAM NEWS today.

The venture, called Saigon Tien Bo, involves The Vegetables Company in Ho Chi Minh City and Fenia, a cooperative in the Soviet Union. Of the total investment of US dollars 2.4 million, 40 percent is contributed by the Vietnamese partner, and 90 percent of the products will be exported to the Soviet Union.

According to figures released by the State Commission for Cooperation and Investment, licences have been issued to 24 projects with Soviet partnership, with total investments amounting to US dollars 81.61 million.

The Soviet Union thus ranks forth, in terms of the number of projects, among the biggest investors in Vietnam, after Hong Kong (64 projects), Taiwan (33) and France (25).

Deputy Foreign Minister To Visit Beijing 8 Aug

BK0408143691 Hanoi VNA in English 1414 GMT 4 Aug 91

[Text] Hanoi VNA August 4—Nguyen Dy Nien, member of the party Central Committee and deputy foreign minister, will depart soon for a meeting in Beijing at the deputy foreign minister level to begin on August 8, 1991.

This is the fifth meeting of that level since January 1989 between the two countries. The two deputy foreign ministers will exchange views on relations between the two countries and other matters of mutual concern.

First Foreign-Owned Newspaper To Appear in Sep

BK0408041691 Hong Kong AFP in English 0104 GMT 4 Aug 91

[By Andrew Sherry]

[Text] Hanoi, Aug 4 (AFP)—Vietnam's first foreign owned English-language newspaper will hit the streets next month, but don't expect to see a second one for at least five years.

Australia's Loftfern Publishing Group has obtained an exclusive license to publish the weekly, called the VIETNAM INVESTMENT REVIEW, the paper's managing director Nick Mountstephen said Saturday.

The first run of 5,000 copies will be published in Ho Chi Minh City—Vietnam's business capital—on September 27, Mountstephen said. Commercial airliners should fly copies to Hanoi, Bangkok and Hong Kong the same day.

The 24-page tabloid will combine international news with coverage of economic and political developments in Vietnam, with a spotlight on investment opportunities, Mountstephen said.

"If you're in business, if you're interested in emerging markets especially Vietnam, then you have to read it," Loftfern Chief Executive Officer Lloyd Worland said of the paper's objective.

Although fully foreign-owned, VIETNAM INVESTMENT REVIEW will not be fully independent. Each issue will be vetted in Hanoi by an editorial board that includes State Committee for Cooperation and Investment (SCCI) officials.

"It's not an arrangement you would want to enter into anywhere else, but here there was no choice. We have to operate in close conjunction with local authorities," Mountstephen said. But he pledged that the paper would provide "a balanced look" at Vietnam and would not shy away from issues such as official corruption, a topic he acknowledged has already been addressed in the state-controlled press.

The editors will have to tread a "fine line" as they strive to meet Western journalistic standards without drawing the ire of Vietnamese authorities, he added.

Nonetheless, Mountstephen said it was "very significant" that Vietnam, where all media outlets are state-owned and tightly controlled, had agreed to allow a foreign-owned, Western-style paper to set up shop.

"They see it as supporting their interest in encouraging investment," he said. "They've recognized that along with their desire to encourage investment, they've got to take on some of the necessary evils."

After seven months of negotiations, Vietnamese authorities in June granted the INVESTMENT REVIEW a five-year exclusive license—with an option to renew for five more years, Mountstephen said.

That means it may be the sole privately owned English-language paper published in Vietnam for the next decade, he said. It will be the first to hit the streets since the end of the Vietnam War in 1975.

Worland said the Loftfern Group, which publishes several magazines including in-flight publications for the Australian carrier Quantas, hoped the weekly newspaper could pave the way for other Loftfern media projects in Vietnam.

The INVESTMENT REVIEW will start small, however: A staff of about 12 in the Ho Chi Minh City office, including editorial, sales and support personnel, Mountstephen said.

In northern Vietnam, the paper has contracted through SCCI for a staff of 22 correspondents, though many presumably will be part-time contributors.

Mountstephen would not provide a figure for start-up costs, but he said they would not be overwhelming: The newspaper will be designed on desktop and printed on contract by a printing house linked to the VIETNAM NEWS AGENCY.

About a third of the page space will be devoted to advertising, he said, adding that interest was already high, particularly from Vietnamese firms hoping to hook up with Western investors.

A sister publication in Vietnamese, with slightly different editorial content, will be launched around the same time, Worland said.

"We'll start small—a couple of thousand copies—but the Vietnamese edition could go 20 or 50 times bigger than the English one," he said.

Asian Development Bank Approves Consulting Grant

BK0308063891 Hanoi VNA in English 0535 GMT 3 Aug 91

[Text] Hanoi VNA August 3—The Asian Development Bank (ADB) has approved a technical assistance grant to promote development of domestic consultant services in its developing member countries including Vietnam in 1991-1992.

According to ADB sources, the bank plans four country programs for development of domestic consultants during 1991-1992. Tentatively, Nepal and Malaysia have been programmed for this year. Sri Lanka and Vietnam are being considered for this type of assistance in 1992.

Japanese Medical Aid Received

BK0508071891 Hanoi VNA in English 0642 GMT 5 Aug 91

[Text] Hanoi VNA August 5—The Vietnam Institute for Clinical Research in Tropical Medicine received here yesterday an amount of medical equipment and medicines as aid from the Japanese-Vietnamese medical exchange centre.

At the receiving ceremony, Dr. Hiroshi Miura, chairman of the centre, and his wife handed over samples of the 70,000 US dollars aid to Prof. Dao Binh Duc, deputy director of the institute. The donations will be distributed soon to healthcare establishments in flood-stricken areas.

The aid reception was witnessed by minister of public health Prof. Pham Song.

Do Muoi Sends Message on Romanian Flooding

BK0308134591 Hanoi VNA in English 1442 GMT 2 Aug 91

[Text] Hanoi VNA August 2—Chairman of the Council of Ministers Do Muoi today exteneded his sympathy to Romanian Premier Petre Roman over human and material losses caused by the recent flood to Romanian people in many areas.

Vo Chi Cong Receives Departing Yugoslav Envoy

BK0508035091 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 31 Jul 91

[Text] On the afternoon of 31 July, Vo Chi Cong, chairman of the Council of State received Hornjak Mihajlo, ambassador extraordinary and plenipotentiary of the Socialist Federal Republic of Yugoslavia to Vietnam, who paid a farewell visit to the chairman before ending his tour of duty in Vietnam.

Chairman Vo Chi Cong had a cordial talk with Ambassador Hornjak Mihajlo.

Vu Mao, director of the Office of the National Assembly and the Council of State also attended the reception.

VNA, SPK Sign Cooperation Agreement

BK0408065091 Hanoi VNA in English 0605 GMT 4 Aug 91

[Text] Hanoi VNA August 4—A protocol on professional cooperation for 1991-1993 between VIETNAM NEWS AGENCY (VNA) and Kampuchea Information Agency (SPK) was signed at the VNA office in the afternoon of Aug. 3.

Signatories were Do Phuong, general director of VNA, and Em Saman, general director of SPK.

Em Saman, who is an alternate member of the Central Committee of the Kampuchean People's Revolutionary Party, is leading an SPK delegation on an official visit to Vietnam.

The two sides agreed to strengthen and develop their cooperative relations in the exchange of news reports, documents and photos, to upgrade the two-way communiction line between VNA and SPK to organize mutual probation and study tours by reporters and technicians. The two sides will make further efforts to help each other strengthen and broaden their international and regional relations in news agency, journalism and some other fields.

Cambodian Ambassador Uch Borit was present at the signing ceremony.

The same day, Nguyen Khanh, member of the Communist Party of Vietnam Central Committee and vice chairman of the Council of Ministers, warmly received the delegation.

Report on 1 Aug National Assembly Session

BK0508054991 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 1 Aug 91

[Station correspondent's report on 1 August morning plenary meeting of the ninth National Assembly session at Ba Dinh Conference Hall in Hanoi—partially recorded]

[Summary] "Dear friends, after three days of group discussions, the National Assembly held its plenary session at the Ba Dinh Conference Hall in Hanoi this morning, 1 August, to discuss some points in the draft amendments to the 1980 Constitution.

"At this session, deputies focused their discussion on article 4, which deals with the party leadership role, and article 18 on the rights of use of agricultural land."

Deputies discussed extensively two plans dealing with the party leadership role. The first plan asserted that the Communist Party of Vietnam [CPV]—the vanguard unit of the Vietnamese working class and the faithful protector of the laboring people's interests—is the leading force of the state and society; its members and organizations work within the framework of the Constitution and the state law. The second plan asserted that the party leads in accordance with its platform and strategy, while formulating major lines and policies, promoting propaganda tasks, strengthening mass mobilization work, and introducing competent party members to administrative agencies and mass organizations.

Discussing these plans, Comrade Truong Quang Dot, deputy from Haiphong Municipality said that the first plan is very concise. It has clearly stated the system by which the party leads, the state manages, and the people are masters. The second plan is complicated, especially the part dealing with the party leadership role. As a result, revision should be made to clearly identify the party leadership in the said system.

However, Comrade Do Khac Phuong, deputy from Hoang Lien Son Province said that the second plan is appropriate because the party has already led the revolution for many years and therefore its leadership role should be institutionalized to let the people know how the party leads, acts, and carries out its activities.

"Deputies at the morning session also had a vigorous discussion concerning article 18 of the draft amendments, dealing with the use of land. Most of the deputies expressed similar views on the content of the draft amendments, which stated that the state uniformly manages the use of land in accordance with plans and the law in order to ensure it is used appropriately and effectively."

Discussing this issue, Comrade Pham Van Huan, deputy from Dac Lac Province said that the allocation of land to the peasants should be made on a long-term basis because this will encourage them to strive to improve the quality of the cultivated land for better yields in the future. However, Comrade Dinh Ngoc Kim, deputy from Thai Binh Province said that both short and long-term allocations of land should be granted under the present circumstances. For instance, land for afforestation should be allocated for 40-50 or even 100 years, depending on the life span of the species of forest trees, while land for seasonal crops should be granted for 10 years or so in order to have a period for reviewing production results and improving the quality of the land.

Many deputies also stressed that since our country is small but with a large population, we should strive to avoid the situation in which some peasants have a vast area for cultivation while others have no land to till, especially poor families and those who have given meritorious service to the revolution. Other deputies also put foward ideas toward building a strong, prosperous Vietnam where everyone lives and works happily under the state law.

At the afternoon session, deputies discussed issues related to the state organization system, the National Assembly, and the people's councils at various levels.

National Assembly Discusses Forestry Law

BK0208142591 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 2 Aug 91

[Text] This morning, 2 August, the ninth session of the eighth National Assembly continued its working session at the Ba Dinh Conference Hall in Hanoi. Prior to the session, deputies paid a visit to President Ho Chi Minh at his mausoleum.

Deputies focused their discussion on the draft law on forest preservation. Minister of Forestry Phan Xuan Dot delivered a speech presenting some issues related to this law which received keen interest from the deputies.

The session heard viewpoints expressed by deputies from Hai Hung, Dong Nai, Vinh Phu, Dac Lac, Quang Tri, Bac Thai, Ha Son Binh, Minh Hai, Thuan Hai, and Hoang Lien Son Provinces. Most of them raised issues related to the right to exploit forests, use of forest land, and manufacture of forest products. Regarding the name of the law on forest preservation, many deputies suggested that it should be called the law on forest preservation and development. However, the official name of the law will be finalized and presented to the National Assembly for approval at the end of its ninth session.

National Assembly Issues Communique No. 3

BK0208151391 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 2 Aug 91

[Communique No. 3 of the ninth session of the eighth National Assembly—date not given]

[Text] On 2 August, National Assembly deputies paid a visit to President Ho Chi Minh at his mausoleum. Afterward, the National Assembly held its plenary session at the Ba Dinh Conference Hall in Hanoi.

National Assembly Vice Chairman Phung Van Tuu directed the session. The National Assembly discussed the draft laws on forest preservation and on protection, care for, and education of children.

Regarding the draft law on forest preservation, 30 delegates expressed viewpoints on the name of the law, right to use forest land, areas for long-term forests, issues related to ownership of forest trees and wildlife, authority in allocating forest land, and organization of forestry officials.

Discussing the draft law on protection, care for, and education of children, 10 delegates expressed viewpoints on the official name of the law, age groups of children subjected to enforcement of the law, responsibility of families, state, and society toward the children, and basic rights and obligations of children.

The National Assembly will continue its plenary session at the Ba Dinh Conference Hall tomorrow, 3 August.

National Assembly Proceedings for 5 Aug

BK0508075791 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 5 Aug 91

[Text] This morning, 5 August, the ninth session of the eigth National Assembly, held a plenary meeting at the Ba Dinh Conference Hall in Hanoi to hear Comrade Vo

Van Kiet, first vice chairman of the Council of Ministers report on the socioeconomic situation during the first six months of 1991 and pressing issues in the second half of the year.

The report stressed some key issues related to agricultural and industrial production; foreign trade activities and foreign investments; the financial, monetary, marketing, and pricing situations; the cultural, social, and public health domains; and measures to oppose corruption and smuggling. Regarding agriculture, the report said that during the first six months of the year the winter-spring rice acreage increased by 4.1 percent compared with the previous year, while material and energy supplies serving agriculture were ensured. In the southern provinces, though pests caused a shortfall in the winter-spring rice productivity, these provinces attained an increase of 270,000 tonnes compared with the previous crop. The northern provinces, however, experienced a major shortfall of more than one million tonnes of paddy caused by the unfavorable weather conditions. To off-set the great losses of the winter-spring crop, the Council of Ministers has provided urgent guidance on expanding areas for subsidiary food crops as well as for summer-fall rice.

The report noted that, although industrial production increased by only 2 percent compared with the corresponding period last year, the production of a number of key products increased considerably. The report also raised some pressing socioeconomic issues in the second half of the year and suggested measures to overcome difficulties in developing production, in implementing export-import policies, and in improving financial and monetary management. It also suggested measures to improve the people's daily life and to oppose corruption and smuggling.

Also at this morning session, the National Assembly heard Comrade Nguyen Hoa, acting head of the National Assembly's Economic, Planning, and Budget Committee, read his committee's appraisal on the Council of Ministers' report, and they heard Comrade Phan Ngoc Tuong, minister and head of the Committee for Organization and Cadres, on behalf of the Council of Ministers, report on the plan to redefine the administrative boundaries of some provinces and municipalities for submission to the National Assembly for approval. They also heard Comrade Mai Thuc Lan, deputy head of the National Assembly's Budgetary Committee, read an investigative report on the Council of Ministers' plan to redefine administrative boundaries of some provinces, and they heard comrade Pham Hung, presiding judge of the Supreme People's Court, report on activities of the court sector during the first six months of 1991. Finally, they heard comrade Tran Quyet, chief procurator of the Supreme People's Organ of Control, report on the activities of the Organ of Control during the first half of 1991.

The National Assembly continued its plenary session at the Ba Dinh Conference Hall this afternoon.

Nguyen Khanh Visits Exhibition of Goods

BK0508074691 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 29 Jul 91

[Text] In the 28 July afternoon, Nguyen Khanh, vice chairman of the Council of Ministers, visited an exhibition on genuine and fake goods. The exhibition is a large one, aimed at improving Vietnamese commodity quality to fight against fake and poor-quality goods and encouraging people to use Vietnamese goods.

The exhibition was coordinated by the Ministry of Culture, Information, Sports, and Tourism; the State Science Technology Commission; the Hanoi People's Committee; and the Association for Standardization on Measurement and Quality and with the participation of many other ministries, sectors, and production units of different economic sectors.

Vice Chairman Nguyen Khanh thanked the exhibition management board and participating units for their efforts in helping the public to realize the production capacity, quality, and trading method of Vietnamese goods. At the same, they also help to point out the true differences between the genuine and fake goods.

Through this exhibition, the consumers now know that they can trust the quality of Vietnamese goods which has been improving steadily after the sixth and seventh national party congresses.

Moreover, the demands of life also require us to successfully stop the spreading of fake goods in society because it is a real danger to national production. The entire society must take responsibility in this duty, especially the law enforcement agencies and mass organizations on production and consumers' affairs.

This is an exhibition which has great meanings in different fields and its results will be even greater when the results become more pronounced to people.

Review of TAP CHI CONG SAN Jul Issue

BK0208141791 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 21 July 91

[Review of July 1991 issue of TAP CHI CONG SAN]

[Summary] The journal begins this special issue welcoming the seventh national party congress with an editorial entitled: "Let's Effect Deep-Rooted Renovation in Order to Continue to March Forward."

After pointing out the important significance of the seventh national party congress, the editorial says: "The seventh party congress has continued to supplement, develop, and perfect the renovative line of the sixth party congress, and has begun to form a set of principles governing national construction and defense in the period of transition to socialism in our country. These principles are the results of many serious efforts to study and sum up past experiences, thus marking a drastic change in the theoretical thinking and principle character and firm political stance of the Communist Party of Vietnam [CPV]."

Next, the editorial analyzes the characteristics of socialism in Vietnam, which is not based on dogmatic principles but on appropriate procedures consistent with the concrete conditions in Vietnam. The editorial stresses that "to advance to socialism means to make a careful and scientifically sound decision capable of reflecting our people's sacred will and aspirations and withstanding the test of time. It is extremely dangerous if we show signs of disorientation and vacillation."

The editorial then deals with the very important tasks that must be carried out in the framework of socialist construction as follows:

1. Regarding the economic front, resolute steps must be taken to shift to a multisectoral economy in which the state economy plays a dominant role, the collective economy is constantly consolidated and expanded, the system of economic management based on bureaucratic centralism and state subsidization is abolished, the market mechanism is established to operate under state management, and smooth economic cooperation is achieved at both national and international levels.

2. Regarding social development, great importance must be attached to developing human resources, to improving the quality of the people's material and spiritual life, and to securing social justice.

3. Regarding cultural development, efforts are needed to build and develop a new culture based on our fine national traditions as well as on other cultural values worldwide.

4. As far as the political regime is concerned, measures must be taken to build and gradually perfect a socialist democratic system to guarantee that power rests with the people; that the state originates from, belongs to, and works for the people; and that the peasant-worker-intellectual alliance serves as the hardcore element under the leadership of the Communist Party.

5. On the diplomatic front, plans must be worked out to implement a foreign policy based on peace, cooperation, and friendship with all countries; on loyalty to the proletarian internationalism; and on the solidarity with the socialist countries and forces struggling for peace, national independence, democracy, and social progress.

The editorial continues: "While giving primary importance to national construction, we must also constantly heighten vigilance and seek ways to consolidate national defense, safeguard political stability and social security and order, and protect our fatherland and our revolutionary gains."

After defining the basic requirements of the initial stage of the transitional period and the tasks and fundamental measures for implementing the 1991-95 five-year plan, the editorial concludes: "It is certain that encouraged by the results of the seventh party congress and by achieving unanimity of mind and actions, our entire party, people, and Armed Forces will fulfill all orientations and tasks, thus helping the country surmount all challenges, achieve stability step by step, and make steady progress."

Next, the journal devotes much space to publishing the various documents of the seventh party congress, namely the opening speech delivered by Comrade Vo Chi Cong, chairman of the Council of State; the report of the sixth party Central Committee on the documents to be submitted to the seventh party congress entitled "Continue to Advance the Renovation Undertaking Along the Socialist Path," The Platform on National Construction During the Period of Transition to Socialism, the Statutes of the CPV, the resolution of the seventh party congress, and the closing speech delivered by Comrade General Secretary Do Muoi.

Found in the "Research" column is an article entitled: "The True Nature of the Period of Transition to Socialism by Bypassing the Capitalist Development Stage" by Do The Tung, assistant professor and doctoral candidate in Economics.

Appearing in the "Opinion and Experience" column are the following:

—An article entitled: "Quang Binh and Its Initial Progress" by Thai Ba Nhiem, secretary of the Quang Binh provincial party committee, dealing with the initial achievements by the local administration and people in translating the resolution of the seventh party congress into realities.

—A report on an interview between a TAP CHI CONG SAN correspondent and Nguyen Ngo Hai, secretary of the Bac Thai provincial party committee, on party-building work in the province.

—An article by Nguyen Khac Hien, an economic specialist, entitled: "Some Opinions About Anti-Corruption Measures."

—An article by Phan Thanh Pho, associate professor in economics, suggesting ways to handle the issues related to prices and market.

—An article by Thanh An, deputy general secretary of the Vietnam Cinematography Association, depicting the overall situation of the Vietnamese cinematographic sector and suggesting concrete measures for overcoming the tendency toward the commercialization of cinematographic activities.

In the "Activities and Thinking" column is an article by Nguyen Trung Thuc entitled: "As Long as a Person Is Still Charming, People Will Continue to Seek His/Her Company" reminding everyone of the need to help preserve fine national traditions.

Appearing in the "Letter to the Editorial Staff" column is an article by Pham Thanh, professor of Philosophy, commenting on Vu Hung's article published in the April 1991 issue of TAP CHI CONG SAN and dealing with the issue of land ownership.